



# **Annual Report on Contractor Work Force Restructuring**

**U.S. Department of Energy**

**Fiscal Year 2003**

**January 2005**

**ANNUAL REPORT  
ON CONTRACTOR  
WORK FORCE RESTRUCTURING**

**FISCAL YEAR 2003**

Office of Legacy Management  
U.S. Department of Energy  
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## LIST OF ACRONYMS AND SHORT TITLES

Argonne	Argonne National Laboratory (Illinois & Idaho)
BHI	Bechtel Hanford, Inc.
BJC	Bechtel Jacobs Company, LLC
BN	Bechtel Nevada
BNL	Brookhaven National Laboratory (New York)
BRE	Business Retention and Expansion
COBRA	Consolidated Omnibus Budget Reconciliation Act of 1985
CRO	community reuse organization
CROET	Community Reuse Organization of East Tennessee
CSRA	Central Savannah River Area
CTC	Career Transition Center
D&D	deactivation and decommission
DOE	U.S. Department of Energy
ED	economic development
EICRO	Eastern Idaho Community Reuse Organization
ENIPC	Eight Northern Indian Pueblos Council, Inc.
Fernald	Fernald Closure Project (Ohio)
FHI	Fluor Hanford, Inc.
FM&T	Honeywell, Federal Manufacturing & Technologies
FY	fiscal year (October 1 - September 30)
GIS	geographic information system
Hanford	Hanford Site (Washington State)
IBT	International Brotherhood of Teamsters
ICP	Idaho Cleanup Project
INEEL	Idaho National Engineering and Environmental Laboratory (Idaho)
INL	Idaho National Laboratory
KCP	Kansas City Plant (Missouri)
LANL	Los Alamos National Laboratory (New Mexico)
LHH	Lee Hecht Harrison
LLC	limited liability company

LLNL	Lawrence Livermore National Laboratory (California & Nevada)
LM	Office of Legacy Management (U.S. Department of Energy)
MATC	Mound Advanced Technology Center
MMCIC	Miamisburg Mound Community Improvement Corporation
Mound	Mound Closure Project (Ohio)
NextGen	Next Generation Economy, Inc.
NM	New Mexico
NMIPA	New Mexico Internet Professionals Association
NTRC	National Transportation Research Center
NTS	Nevada Test Site (Nevada)
NTSDC	Nevada Test Site Development Corporation
Oak Ridge	Oak Ridge Complex (Tennessee)
ORISE	Oak Ridge Institute for Science and Education (U.S. Department of Energy)
ORNL	Oak Ridge National Laboratory (Tennessee)
ORO	Oak Ridge Operations Office (U.S. Department of Energy)
ORP	Office of River Protection (U.S. Department of Energy)
OSU	Ohio State University
OVRDC	Ohio Valley Regional Development Commission
PACE	Paper, Allied-Industrial, Chemical, and Energy Workers International Union
PACRO	Paducah-Area Community Reuse Organization
Paducah	Paducah Gaseous Diffusion Plant (Kentucky)
Pantex	Pantex Plant (Texas)
Pinellas	Pinellas Plant (Florida)
PNNL	Pacific Northwest National Laboratory (Washington State)
Portsmouth	Portsmouth Gaseous Diffusion Plant (Ohio)
R&D	research and development
RDA	Regional Development Alliance, Inc.
RDC	Regional Development Corporation
RFETS	Rocky Flats Environmental Technology Site (Colorado)
RFP	request for proposals
RIF	reduction-in-force (separations) = total separations – attrition
RL	Richland Operations Office (U.S. Department of Energy)
Sandia	Sandia National Laboratories (New Mexico & California)
Section 3161	National Defense Authorization Act for Fiscal Year 1993, Section 3161

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SNS	Spallation Neutron Source (Tennessee)
SODI	Southern Ohio Diversification Initiative
SRRDI	Savannah River Regional Diversification Initiative
SRS	Savannah River Site (South Carolina)
STAR	Science, Technology and Research (Center)
STAR TEC	STAR Technology Enterprise Center
SWOT	strengths, weaknesses, opportunities, and threats
TRIDEC	Tri-City Industrial Development Council
UNLV	University of Nevada Las Vegas
USEC	United States Enrichment Corporation, Inc.
USFWS	United States Fish and Wildlife Service (U.S. Department of the Interior)
UT	University of Tennessee
WIPP	Waste Isolation Pilot Plant (New Mexico)
WSRC	Westinghouse Savannah River Company
WT	Office of Worker and Community Transition (U.S. Department of Energy)
WTP	Work Force Transition Program

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## OVERVIEW AND SUMMARY

The Office of Worker and Community Transition (WT) was established by the Secretary of Energy on September 15, 1994. The mission of WT is to: (1) develop policies and programs necessary to plan for, and mitigate the impacts of, changing conditions on the workers and communities affected by Department of Energy (DOE) mission changes; (2) ensure that those policies and programs are carried out in a way that ensures fair treatment of all concerned, while at the same time recognizing the unique conditions at each site and in each contract; and (3) assist those communities most affected by the changing missions at DOE sites by using DOE's resources to stimulate economic development.

WT performs this mission consistent with section 3161 of the National Defense Authorization Act for Fiscal Year 1993 (Appendix OS-1). This legislation requires DOE to develop work force restructuring plans when there are changes in the work force at defense nuclear facilities (Appendix OS-2) and to mitigate the impact of these changes using a number of methods, including voluntary separation programs, training, relocation, and job placement assistance. Under Secretarial direction, work force restructuring objectives are considered for different sites, including those not specifically covered by section 3161. WT also reviews and approves funding for community transition assistance grants designed to mitigate the impact of work force changes and reduce community dependence on DOE activities. Other responsibilities of WT include overseeing asset disposition to promote community reuse opportunities and monitoring contractor labor-management relations to ensure the implementation of DOE policies and foster harmonious and productive labor-management relations.

The overall objective of work force restructuring is to ensure that DOE meets its mission requirements and, at the same time, to minimize the social and economic impacts of restructuring both on workers and on the communities surrounding these sites. To this end, WT cooperates with: (1) appropriate field organizations to prepare work force restructuring plans that provide reasonable assistance to affected workers, and (2) affected communities to develop community transition plans that address the potential economic impacts of restructuring.

**Note:** Effective December 2003, all WT functions and responsibilities were merged into the newly established Office of Legacy Management (LM).

This report responds to the requirement of section 3161 that DOE report to Congress annually on the results of work force restructuring. It covers activities in fiscal year 2003 and serves to update Congress and the public on the outcomes of work force restructuring and community transition.

## SUMMARY OF FISCAL YEAR 2003 ACTIVITIES

### Work Force Restructuring

In FY 2003, reduction-in-force separations (total separations minus separations due to attrition) numbered 3,068, with 517 (16.9 percent) being voluntary and 2,551 (83.1 percent) involuntary. An additional 4,250 separations occurred through attrition. The total work force restructuring cost incurred was \$53,536,042.

## **Community Transition**

To date, 15 communities have identified community reuse organizations and have applied for funding. Their activities have retained, expanded, or created 33,926 jobs. The average cost per job created in the communities surrounding these sites was \$7,369.

## **Organization of Report**

This report is organized into three sections. Section I summarizes work force restructuring and community transition activities at all sites. Section II summarizes work force restructuring and community transition activities for defense nuclear sites. Section III summarizes work force restructuring activities at non-defense sites.

This report is available on the LM website at <http://www.lm.doe.gov>.

## APPENDIX OS-1

### National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484, October 23, 1992)

#### Subtitle E--Defense Nuclear Workers

#### Sec. 3161. Department of Energy Defense Nuclear Facilities Work Force Restructuring Plan

(a) **IN GENERAL.**--Upon determination that a change in the work force at a defense nuclear facility is necessary, the Secretary of Energy (hereinafter in this subtitle referred to as the "Secretary") shall develop a plan for restructuring the work force for the defense nuclear facility that takes into account--

- (1) the reconfiguration of the defense nuclear facility; and
- (2) the plan for the nuclear weapons stockpile that is the most recently prepared plan at the time of the development of the plan referred to in this subsection.

(b) **CONSULTATION.**--(1) In developing a plan referred to in subsection (a) and any updates of the plan under subsection (e), the Secretary shall consult with the Secretary of Labor, appropriate representatives of local and national collective-bargaining units of individuals employed at Department of Energy defense nuclear facilities, appropriate representatives of departments and agencies of State and local governments, appropriate representatives of State and local institutions of higher education, and appropriate representatives of community groups in communities affected by the restructuring plan.

(2) The Secretary shall determine appropriate representatives of the units, governments, institutions, and groups referred to in paragraph (1).

(c) **OBJECTIVES.**--In preparing the plan required under subsection (a), the Secretary shall be guided by the following objectives:

(1) Changes in the work force at a Department of Energy defense nuclear facility--

(A) should be accomplished so as to minimize social and economic impacts;

(B) should be made only after the provision of notice of such changes not later than 120 days before the commencement of such changes to such employees and the communities in which such facilities are located; and

(C) should be accomplished, when possible, through the use of retraining, early retirement, attrition, and other options that minimize layoffs.

(2) Employees whose employment in positions at such facilities is terminated shall, to the extent practicable, receive preference in any hiring of the Department of Energy (consistent with applicable employment seniority plans or practices of the Department of Energy and with section 3152 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 103 Stat. 1682)).

(3) Employees shall, to the extent practicable, be retrained for work in environmental restoration and waste management activities at such facilities or other facilities of the Department of Energy.

- (4) The Department of Energy should provide relocation assistance to employees who are transferred to other Department of Energy facilities as a result of the plan.
- (5) The Department of Energy should assist terminated employees in obtaining appropriate retraining, education, and reemployment assistance (including employment placement assistance).
- (6) The Department of Energy should provide local impact assistance to communities that are affected by the restructuring plan and coordinate the provision of such assistance with--
  - (A) programs carried out by the Department of Labor pursuant to the Job Training Partnership Act (29 U.S.C. 1501 et seq.);
  - (B) programs carried out pursuant to the Defense Economic Adjustment, Diversification, Conversion, and Stabilization Act of 1990 (Part D of Public Law 101-510; 10 U.S.C. 2391 note); and
  - (C) programs carried out by the Department of Commerce pursuant to title IX of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3241 et seq.).

**(d) IMPLEMENTATION.**--The Secretary shall, subject to the availability of appropriations for such purpose, work on an ongoing basis with representatives of the Department of Labor, work force bargaining units, and States and local communities in carrying out a plan required under subsection (a).

**(e) PLAN UPDATES.**--Not later than one year after issuing a plan referred to in subsection (a) and on an annual basis thereafter, the Secretary shall issue an update of the plan. Each updated plan under this subsection shall--

- (1) be guided by the objectives referred to in subsection (c), taking into account any changes in the function or mission of the Department of Energy defense nuclear facilities and any other changes in circumstances that the Secretary determines to be relevant;
- (2) contain an evaluation by the Secretary of the implementation of the plan during the year preceding the report; and
- (3) contain such other information and provide for such other matters as the Secretary determines to be relevant.

**(f) SUBMITTAL TO CONGRESS.**--(1) The Secretary shall submit to Congress a plan referred to in subsection (a) with respect to a defense nuclear facility within 90 days after the date on which a notice of changes described in subsection (c)(1)(B) is provided to employees of the facility, or 90 days after the date of the enactment of this Act, whichever is later.

(2) The Secretary shall submit to Congress any updates of the plan under subsection (e) immediately upon completion of any such update.

## **Sec. 3163. Definitions**

For purposes of this subtitle:

(1) The term "Department of Energy defense nuclear facility" means--

(A) a production facility or utilization facility (as those terms are defined in section 11 of the Atomic Energy Act of 1954 (42 U.S.C. 2014)) that is under the control or jurisdiction of the Secretary and that is operated for national security purposes (including the tritium loading facility at Savannah River, South Carolina, the 236 H facility at Savannah River, South Carolina; and the Mound Laboratory, Ohio), but the term does not include any facility that does not conduct atomic energy defense activities and does not include any facility or activity covered by Executive Order Number 12344, dated February 1, 1982, pertaining to the naval nuclear propulsion program;

(B) a nuclear waste storage or disposal facility that is under the control or jurisdiction of the Secretary;

(C) a testing and assembly facility that is under the control or jurisdiction of the Secretary and that is operated for national security purposes (including the Nevada Test Site, Nevada, the Pinellas Plant, Florida; and the Pantex facility, Texas);

(D) an atomic weapons research facility that is under the control or jurisdiction of the Secretary (including the Lawrence Livermore, Los Alamos, and Sandia National Laboratories); or

(E) any facility described in paragraphs (1) through (4) that--

(i) is no longer in operation;

(ii) was under the control or jurisdiction of the Department of Defense, the Atomic Energy Commission, or the Energy Research and Development Administration; and

(iii) was operated for national security purposes.

(2) The term "Department of Energy employee" means any employee of the Department of Energy defense nuclear facility, including any employee of a contractor or subcontractor of the Department of Energy employed at such a facility.

## APPENDIX OS-2

### Listing of Defense Nuclear Facilities

The list below reflects facilities receiving funding for Atomic Energy Defense activities of the Department of Energy, with the exception of activities under Naval Reactor Propulsion. It is recognized that these facilities have varying degrees of defense activities, ranging from a total defense dedication to a small portion of their overall activity. This may cause certain difficulties in implementing the intent of the section 3161 legislation. Regardless, this listing will be used by the Office of Worker and Community Transition (WT) for possible application of funding received for defense worker assistance and community transition purposes. **Note:** Effective December 2003, all WT functions and responsibilities were merged into the newly established Office of Legacy Management.

Argonne National Laboratory (Illinois & Idaho)  
Brookhaven National Laboratory (New York)  
East Tennessee Technology Park (Tennessee)  
Fernald Closure Project (Ohio)  
Hanford Site (Washington State)  
Idaho National Engineering and Environmental Laboratory (Idaho)  
Kansas City Plant (Missouri)  
Lawrence Livermore National Laboratory (California & Nevada)  
Los Alamos National Laboratory (New Mexico)  
Mound Closure Project (Ohio)  
Nevada Test Site (Nevada)  
Oak Ridge National Laboratory (Tennessee)  
Paducah Gaseous Diffusion Plant (Kentucky)  
Pantex Plant (Texas)  
Pinellas Plant (Florida)  
Portsmouth Gaseous Diffusion Plant (Ohio)  
Rocky Flats Environmental Technology Site (Colorado)  
Sandia National Laboratories (New Mexico & California)  
Savannah River Site (South Carolina)  
Waste Isolation Pilot Plant (New Mexico)  
Y-12 National Nuclear Security Administration Complex (Tennessee)



## SECTION I: SUMMARY OF WORK FORCE RESTRUCTURING

### I.1 Background

The onset of the Cold War between the United States and the Soviet Union after World War II led to the buildup of an elaborate network of research, production, and testing facilities known as the nuclear weapons complex. To meet nuclear weapons production requirements and other national security obligations, the Department of Energy (DOE) and its predecessor agencies assembled an extensive contractor work force. The breakup of the Soviet Union in 1991, together with President George H.W. Bush's announcement of the first unilateral nuclear weapons reduction agreement on September 27, 1991, signaled the end of the Cold War and dramatically reduced the need for further nuclear weapons production.

The end of the Cold War also brought about fundamental changes in contractor work force requirements as DOE shifted from weapons production to other missions such as environmental management, weapons dismantlement, and science and technology research. Faced with significant budget reductions and overstaffing problems, DOE began to restructure its work force.

During President George H.W. Bush's Administration, Secretary of Energy James Watkins issued DOE Order 3309.1A (now incorporated into DOE Order 350.1), establishing specific objectives to ensure fairness while reducing the contractor work force, including programs to minimize layoffs. In passing section 3161 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484), the Congress mandated an explicit planning process involving affected stakeholders for all work force changes at defense nuclear facilities, and directed that the plans be guided by a fundamental objective: to mitigate the impacts on workers and communities, especially those whose service had helped maintain our nuclear deterrent force during the Cold War.

Section 3161 requires the Secretary of Energy to develop a plan for restructuring the work force for a defense nuclear facility whenever there is a determination that a change in the work force is necessary. This section also identifies objectives that each plan should address, including minimizing social and economic impacts; giving workers adequate notice of impending changes; minimizing involuntary separations; offering preference-in-hiring to the extent practicable to those employees involuntarily separated; providing relocation assistance under certain conditions; providing retraining, as well as educational and outplacement assistance; and providing local impact assistance to affected communities.

In response to the challenges posed by changing missions, and consistent with Departmental policy to apply the work force restructuring process at all sites undergoing significant work force changes, the Office of Worker and Community Transition (WT) was established in 1994. It was assigned responsibility for reviewing and evaluating work force restructuring plans from all sites and overseeing the implementation of work force restructuring consistent with these plans and Departmental policy and guidance.

WT has issued planning guidance to field organizations tasked with drafting work force restructuring plans. This guidance addresses the need for plans to meet the objectives of section 3161 and offers guidelines for preparing and structuring these plans. In FY 1998, WT established a streamlined planning and approval process for work force restructuring activities.

**Note:** Effective December 2003, all WT functions and responsibilities were merged into the newly established Office of Legacy Management.

## 1.2 Fiscal Year 2003 Work Force Restructuring Activity

**Separations - Fiscal Year 2003.** There were 3,068 management contractor team employees separated from DOE as a result of reduction-in-force (RIF) actions (total separations - attrition). (Note: Management contractor team consists of those prime contractors performing defense and certain non-defense work that historically was done under a management and operating contract. At some sites, subcontractors are also included.) An additional 4,250 separations occurred through attrition. Of the RIF separations, 16.9 percent were voluntary and 83.1 percent involuntary (Exhibit I.1).

Defense and Non-Defense Sites	FY 2003				
	Number of Workers	Enhanced Costs Funded by WT (Section 3161)	Program Costs Funded by Other DOE Programs	Total Costs	Total Cost/Recipient
1.0 Voluntary Separations (Lines 1.1 + 1.2 + 1.3)	4,767	\$3,251,425	\$10,059,523	\$13,310,948	\$2,792
1.1 Early Retirement	297	\$3,031,425	\$4,486,325	\$7,517,750	\$25,312
1.2 Non-Retirement Voluntary Separations (Costs = Severance)	220	\$220,000	\$5,573,198	\$5,793,198	\$26,333
1.3 Attrition (Includes Normal Retirement)	4,250	n/a	n/a	n/a	n/a
2.0 Involuntary Separations (Lines 2.1 + 2.2) (Costs = Severance)	2,551	\$5,353,882	\$27,347,042	\$32,700,924	\$12,819
2.1 With Benefits (Lines 2.1.1 + 2.1.2)	1,887	\$5,353,882	\$27,347,042	\$32,700,924	\$17,330
2.1.1 Non-Construction Workers	1,865	\$5,299,049	\$27,324,530	\$32,623,579	\$17,493
2.1.2 Construction Workers	22	\$54,833	\$22,512	\$77,345	\$3,516
2.2 Without Benefits	664	n/a	n/a	n/a	n/a
3.0 Total Separations and Costs (Lines 1.0 + 2.0)	7,318	\$8,605,307	\$37,406,565	\$46,011,872	\$6,287
4.0 Other Affected Workers (Lines 4.1 + 4.2 + 4.3)	504	\$0	\$0	\$0	\$0
4.1 Workers Placed Internally Without Retraining (Same Site & Company)	426	n/a	n/a	n/a	n/a
4.2 Workers Placed Internally Through Retraining Programs (Same Site & Company)	0	\$0	\$0	\$0	\$0
4.3 Workers Transferred to Other DOE Sites (Same or Different Company)	78	n/a	n/a	n/a	n/a
5.0 Other Benefits Provided (Lines 5.1 + 5.2 + 5.3 + 5.4)	n/a	\$4,025,385	\$3,498,785	\$7,524,170	n/a
5.1 Displaced Worker Medical Benefits	1,367	\$822,852	\$3,015,614	\$3,838,466	\$2,808
5.2 Relocation Assistance to Other DOE Sites	21	\$54,991	\$0	\$54,991	\$2,619
5.3 Separating or Separated Workers Using Outplacement	2,576	\$2,523,531	\$416,075	\$2,939,606	\$1,141
5.4 Educational Assistance for Separated Workers	372	\$624,011	\$67,096	\$691,107	\$1,858
6.0 Total Costs for Fiscal Year 2003 (Lines 3.0 + 4.0 + 5.0)	n/a	\$12,630,692	\$40,905,350	\$53,536,042	n/a

Note 1: WT = DOE Office of Worker and Community Transition. Effective December 2003, WT was merged into newly established DOE Office of Legacy Management.  
 Note 2: Section 3161 refers to that section of the National Defense Authorization Act for Fiscal Year 1993.  
 Note 3: DOE = U.S. Department of Energy.  
 Note 4: Total Separations = Line 3.0. Reduction-in-Force Separations = Total Separations (Line 3.0) - Attrition (Line 1.3).  
 Note 5: n/a = not applicable.

### Exhibit I.1 Work Force Restructuring Summary for All Sites (Defense and Non-Defense)

**Cost - Fiscal Year 2003.** The total work force restructuring cost incurred was \$53,536,042 (Exhibit I.1).

**Enhanced Benefits - Fiscal Year 2003.** To comply with section 304 of the Energy and Water Development Appropriations Act for Fiscal Year 1998 (and succeeding years), separation costs have been broken out by enhanced benefits, which have been paid by WT, and program benefits, which have been paid by the responsible program office. For the most part, enhanced benefits

include relocation assistance, outplacement assistance, educational assistance, and enhanced severance pay. Contract severance pay and displaced worker medical benefits are typically covered by the program offices. The cost of outplacement assistance may be considered a program cost if outplacement has been part of an ongoing corporate benefit. Enhanced benefits totaled \$12,630,692 or 23.6 percent (Exhibit I.1).

### **I.3 Separation Costs**

The purpose of work force restructuring is to increase the cost-effectiveness and efficiency of DOE-wide site operations by matching skilled employees with mission requirements. To achieve this result, prime contractors must separate or retrain workers whose skills no longer match mission needs. Sites employ a variety of means to minimize the economic and social impacts of voluntary and involuntary separations. These include early retirement incentives, enhanced severance for non-retirement voluntary separations, medical benefits extensions, outplacement services, and educational assistance. The costs associated with providing these benefits are offset by savings realized from restructuring the work force.

### **I.4 Mitigating Restructuring Impacts**

DOE employs a number of measures to mitigate the impacts of work force restructuring, especially the impacts of involuntary separation. Several measures have been used successfully to limit the need for separations. These include placing at-risk workers in other positions, transferring workers to other sites with available positions created by changing missions, or attrition. Additionally, sites can offer displaced workers medical benefits, relocation assistance, a variety of outplacement services, and educational assistance.

**Placement.** In FY 2003, 426 workers were internally placed without retraining. An additional 78 workers were transferred to other DOE sites.

**Medical Benefits.** In 1992, Secretary of Energy James Watkins directed that all prime contractor employees separated from DOE sites, and not otherwise eligible for another medical program, would be eligible for displaced worker medical benefits. Under this program, employees continue to participate in their former employer's medical program, but at a cost to the participant that increases over time. During the first year, the participant contributes the same amount as when employed by the contractor. In the second year, the employee pays one-half the applicable Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) rate. In the third and subsequent years, the employee pays the full COBRA rate.

Medical benefits coverage was used by 1,367 employees in FY 2003 at a total cost of \$3,838,466, for an average cost of \$2,808. Recipients of displaced worker medical benefits may have separated in prior years.

**Relocation Assistance.** DOE offered relocation assistance to separated prime contractor employees to help them relocate to jobs at other DOE sites where such costs are not normally reimbursed. In FY 2003, 21 employees took advantage of this benefit at a total cost of \$54,991, or \$2,619 per recipient. Recipients of relocation assistance may have separated in prior years.

**Outplacement Services.** All Department facilities included in this report have access to outplacement services to assist separated employees in finding new employment either within or outside DOE. Some sites use consultants or subcontractors to provide such services, while

others use in-house contractor staff. Some centers are staffed with job counselors, state employment services personnel, and employee assistance counselors to help separated employees locate possible new employment, prepare resumes, and accommodate personal and family concerns resulting from their separations. Services often include automated job listings, skills assessments, workshops, resource libraries, clerical help, job fairs, and resume distribution. A total of 2,576 employees used outplacement services in FY 2003 at a total cost of \$2,939,606, averaging \$1,141 per employee. Recipients of outplacement services may have separated in prior years.

**Educational Assistance.** Employees, whether voluntarily or involuntarily separated, were often eligible to receive financial assistance of up to \$10,000 per employee over a 4-year period. Educational assistance was used by 372 employees in FY 2003 at a cost of \$691,107, or \$1,858 per employee. Recipients of educational assistance benefits may have separated in prior years.

## **I.5 Community Transition Overview**

DOE's community transition program is designed to minimize the social and economic impacts of work force restructuring on communities surrounding DOE facilities. The program encourages the affected communities to chart their own economic future through the creation of community reuse organizations (CROs), similar to the Department of Defense's Local Reuse Authorities created to assist communities affected by military base closures.

**Current Funding Activities.** Since FY 1993, a total of \$282,558,726 has been committed complex-wide to community transition activities, with \$250,010,294 being spent as of September 30, 2003. To date, 15 communities have received community transition assistance (Exhibit I.2).

Site	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created
Albuquerque	\$2,659,031	\$0	\$2,659,031	\$2,129,888	689	\$3,091
Carlsbad	\$3,906,000	\$243,314	\$4,149,314	\$3,399,930	690	\$4,927
ENIPC	\$671,650	\$0	\$671,650	\$616,565	0	\$0
Fernald	\$736,921	\$0	\$736,921	\$736,921	0	\$0
Hanford Site	\$21,937,147	\$262,000	\$22,199,147	\$20,291,581	2,264	\$8,963
Idaho	\$37,325,000	\$0	\$37,325,000	\$28,085,037	6,449	\$4,355
Los Alamos	\$12,576,206	\$860,381	\$13,436,587	\$12,840,355	1,576	\$8,147
Mound	\$25,739,433	\$0	\$25,739,433	\$15,969,666	578	\$27,629
Nevada	\$14,987,891	\$632,417	\$15,620,308	\$15,620,308	1,973	\$7,917
Oak Ridge	\$58,001,500	\$0	\$58,001,500	\$57,516,097	7,862	\$7,316
Paducah	\$9,800,000	\$0	\$9,800,000	\$8,866,366	1,194	\$7,426
Pinellas	\$23,427,200	\$100,000	\$23,527,200	\$20,872,300	3,082	\$6,772
Portsmouth	\$14,544,000	\$0	\$14,544,000	\$10,563,041	1,097	\$9,629
Rocky Flats	\$1,050,000	\$0	\$1,050,000	\$864,488	0	\$0
Savannah River	\$22,141,325	\$30,957,310	\$53,098,635	\$51,637,751	6,472	\$7,979
<b>Totals</b>	<b>\$249,503,304</b>	<b>\$33,055,422</b>	<b>\$282,558,726</b>	<b>\$250,010,294</b>	<b>33,926</b>	<b>\$7,369</b>

Note 1: WT = DOE Office of Worker and Community Transition. Effective December 2003, WT was merged into newly established DOE Office of Legacy Management.

Note 2: Section 3161 refers to that section of the National Defense Authorization Act for Fiscal Year 1993.

Note 3: DOE = U.S. Department of Energy.

### Exhibit I.2 Summary of Community Transition Funding and Job Creation Statistics, Fiscal Years 1993-2003

**Job Creation.** From FY 1993 through September 30, 2003, the community transition program has helped communities create or retain 33,926 jobs at an average cost of \$7,369 per job.

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## SECTION II: DEFENSE NUCLEAR SITES

### II.1 Background

Defense nuclear sites accounted for 91 percent of all reduction-in-force (RIF) separations (total separations - attrition) in FY 2003.

### II.2 Current Work Force Restructuring

In FY 2003, RIF separations numbered 2,796, with 422 being voluntary and 2,374 involuntary. An additional 3,715 separations occurred through attrition (Exhibit II.1).

Defense Nuclear Sites	FY 2003				
	Number of Workers	Enhanced Costs Funded by WT (Section 3161)	Program Costs Funded by Other DOE Programs	Total Costs	Total Cost/Recipient
1.0 Voluntary Separations (Lines 1.1 + 1.2 + 1.3)	4,137	\$3,251,425	\$8,441,943	\$11,693,368	\$2,827
1.1 Early Retirement	251	\$3,031,425	\$2,979,998	\$6,011,421	\$23,950
1.2 Non-Retirement Voluntary Separations (Costs = Severance)	171	\$220,000	\$5,461,947	\$5,681,947	\$33,228
1.3 Attrition (Includes Normal Retirement)	3,715	n/a	n/a	n/a	n/a
2.0 Involuntary Separations (Lines 2.1 + 2.2) (Costs = Severance)	2,374	\$5,353,882	\$25,558,337	\$30,912,219	\$13,021
2.1 With Benefits (Lines 2.1.1 + 2.1.2)	1,774	\$5,353,882	\$25,558,337	\$30,912,219	\$17,425
2.1.1 Non-Construction Workers	1,752	\$5,299,049	\$25,535,825	\$30,834,874	\$17,600
2.1.2 Construction Workers	22	\$54,833	\$22,512	\$77,345	\$3,516
2.2 Without Benefits	600	n/a	n/a	n/a	n/a
3.0 Total Separations and Costs (Lines 1.0 + 2.0)	6,511	\$8,605,307	\$34,000,280	\$42,605,587	\$6,544
4.0 Other Affected Workers (Lines 4.1 + 4.2 + 4.3)	499	\$0	\$0	\$0	\$0
4.1 Workers Placed Internally Without Retraining (Same Site & Company)	424	n/a	n/a	n/a	n/a
4.2 Workers Placed Internally Through Retraining Programs (Same Site & Company)	0	\$0	\$0	\$0	\$0
4.3 Workers Transferred to Other DOE Sites (Same or Different Company)	75	n/a	n/a	n/a	n/a
5.0 Other Benefits Provided (Lines 5.1 + 5.2 + 5.3 + 5.4)	n/a	\$4,025,385	\$3,230,055	\$7,255,440	n/a
5.1 Displaced Worker Medical Benefits	1,300	\$822,852	\$2,829,443	\$3,652,295	\$2,809
5.2 Relocation Assistance to Other DOE Sites	21	\$54,991	\$0	\$54,991	\$2,619
5.3 Separating or Separated Workers Using Outplacement	2,584	\$2,523,531	\$398,745	\$2,922,276	\$1,140
5.4 Educational Assistance for Separated Workers	339	\$824,011	\$1,867	\$825,878	\$1,846
6.0 Total Costs for Fiscal Year 2003 (Lines 3.0 + 4.0 + 5.0)	n/a	\$12,630,692	\$37,230,335	\$49,861,027	n/a

Note 1: WT = DOE Office of Worker and Community Transition. Effective December 2003, WT was merged into newly established DOE Office of Legacy Management.  
 Note 2: Section 3161 refers to that section of the National Defense Authorization Act for Fiscal Year 1993.  
 Note 3: DOE = U.S. Department of Energy.  
 Note 4: Total Separations = Line 3.0. Reduction-in-Force Separations = Total Separations (Line 3.0) - Attrition (Line 1.3).  
 Note 5: n/a = not applicable.

### Exhibit II.1 Defense Nuclear Sites Work Force Restructuring Summary

### II.3 Cost

The total work force restructuring cost incurred in FY 2003 was \$49,861,027.

### II.4 Mitigating Restructuring Impacts

**Placement.** In FY 2003, 499 workers were placed in other positions, either at the same site or other sites. The majority were placed at their same site without retraining.

**Medical Benefits.** In FY 2003, 1,300 workers took extended medical benefits at an average cost of \$2,809. Recipients may have separated in prior years.

**Relocation Assistance.** In FY 2003, 21 workers received relocation assistance at an average cost of \$2,619. Recipients may have separated in prior years.

***Outplacement Services.*** In FY 2003, 2,564 workers used outplacement services at an average cost of \$1,140. Recipients may have separated in prior years.

***Educational Assistance.*** In FY 2003, 339 workers received educational assistance at an average cost of \$1,846. Recipients may have separated in prior years.



## II.5 Site Summaries

### II.5.1 Argonne National Laboratory

#### II.5.1.1 Background

The Argonne National Laboratory (Argonne) is a large, multi-program laboratory operated by the University of Chicago for the Department of Energy (DOE). Argonne's mission is basic research and technology development to meet national goals in scientific leadership, energy technology, environmental quality, and national security. Argonne occupies two sites, one in Illinois and one in Idaho.

#### II.5.1.2 History of Work Force Restructuring

Total separations from FY 1995 through FY 2002 numbered 934, with 59 percent being voluntary and 41 percent involuntary (Exhibit II.5.1.1). Note: Beginning with FY 2001, the table below reflects only reduction-in-force (RIF) separations (total separations - attrition). Also in FY 2002, an additional 167 separations occurred through attrition.

Fiscal Year	Voluntary	Involuntary	Total
1995	180	70	250
1996	40	104	144
1997	125	64	189
1998	38	65	103
1999	74	27	101
2000	51	17	68
2001	14	10	24
2002	33	22	55
Total	555	379	934

#### Exhibit II.5.1.1 Argonne National Laboratory Contractor Separations

#### II.5.1.3 Current Work Force Restructuring

In FY 2003, RIF separations numbered 135, with 84 being voluntary and 51 involuntary. An additional 111 separations occurred through attrition (Exhibit II.5.1.2).

Site: Argonne National Laboratory		FY 2003				
		Number of Workers	Enhanced Costs Funded by WT (Section 3161)	Program Costs Funded by Other DOE Programs	Total Costs	Total Cost/Recipient
1.0	Voluntary Separations (Lines 1.1 + 1.2 + 1.3)	195	\$0	\$4,428,181	\$4,428,181	\$22,709
1.1	Early Retirement	0	\$0	\$0	\$0	\$0
1.2	Non-Retirement Voluntary Separations (Costs = Severance)	84	\$0	\$4,428,181	\$4,428,181	\$52,718
1.3	Attrition (Includes Normal Retirement)	111	n/a	n/a	n/a	n/a
2.0	Involuntary Separations (Lines 2.1 + 2.2) (Costs = Severance)	51	\$0	\$1,403,404	\$1,403,404	\$27,518
2.1	With Benefits (Lines 2.1.1 + 2.1.2)	51	\$0	\$1,403,404	\$1,403,404	\$27,518
2.1.1	Non-Construction Workers	51	\$0	\$1,403,404	\$1,403,404	\$27,518
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits	0	n/a	n/a	n/a	n/a
3.0	Total Separations and Costs (Lines 1.0 + 2.0)	246	\$0	\$5,831,585	\$5,831,585	\$23,706
4.0	Other Affected Workers (Lines 4.1 + 4.2 + 4.3)	2	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining (Same Site & Company)	2	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs (Same Site & Company)	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other DOE Sites (Same or Different Company)	0	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided (Lines 5.1 + 5.2 + 5.3 + 5.4)	n/a	\$0	\$152,783	\$152,783	n/a
5.1	Displaced Worker Medical Benefits	42	\$0	\$147,353	\$147,353	\$3,508
5.2	Relocation Assistance to Other DOE Sites	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	10	\$0	\$5,410	\$5,410	\$541
5.4	Educational Assistance for Separated Workers	0	\$0	\$0	\$0	\$0
6.0	Total Costs for Fiscal Year 2003 (Lines 3.0 + 4.0 + 5.0)	n/a	\$0	\$5,984,348	\$5,984,348	n/a

Note 1: WT = DOE Office of Worker and Community Transition. Effective December 2003, WT was merged into newly established DOE Office of Legacy Management.  
Note 2: Section 3161 refers to that section of the National Defense Authorization Act for Fiscal Year 1993.  
Note 3: DOE = U.S. Department of Energy.  
Note 4: Total Separations = Line 3.0. Reduction-in-Force Separations = Total Separations (Line 3.0) - Attrition (Line 1.3).  
Note 5: n/a = not applicable.

### Exhibit II.5.1.2 Argonne National Laboratory Work Force Restructuring Summary

#### II.5.1.4 Work Force Restructuring Cost

The total work force restructuring cost incurred in FY 2003 at Argonne was \$5,984,348 (Exhibit II.5.1.2).

#### II.5.1.5 Outplacement

Argonne provides group workshops on marketing, job-hunting techniques, networking, resume development, letter writing, interviewing techniques, educational and training goals, financial planning, and follow-up or progress sessions for individuals through contracted service agencies.

#### II.5.1.6 Accomplishments and Lessons Learned

In recent years, the voluntary separation programs have been successful in reducing the number of employees scheduled for involuntary separation when RIFs have been necessary.

#### II.5.1.7 Future of the Site

On April 30, 2003, Secretary of Energy Spencer Abraham announced that DOE will compete and award separate contracts to implement the Department's plan to revitalize the nuclear energy mission at its Idaho laboratory complex, and to accelerate the environmental cleanup of the site. The announcement included the Argonne National Laboratory - West facility. At this time, it is uncertain as to the impact on the mission and employment levels.

## II.5.2 Brookhaven National Laboratory

### II.5.2.1 Background

The Brookhaven National Laboratory (BNL) is a large, multi-program laboratory operated by Brookhaven Science Associates for the Department of Energy (DOE). BNL conducts research in the physical, biomedical, and environmental sciences, as well as in energy technologies. BNL is located in New York.

### II.5.2.2 History of Work Force Restructuring

Total separations from FY 1995 through FY 2002 numbered 1,008, with 92 percent being voluntary and 8 percent involuntary (Exhibit II.5.2.1). Note: Beginning with FY 2001, the table below reflects only reduction-in-force (RIF) separations (total separations - attrition). Also in FY 2002, an additional 157 separations occurred through attrition.

Fiscal Year	Voluntary	Involuntary	Total
1995	320	12	332
1996	244	26	270
1997	61	8	69
1998	45	7	52
1999	68	4	72
2000	111	8	119
2001	44	12	56
2002	33	5	38
Total	926	82	1,008

**Exhibit II.5.2.1 Brookhaven National Laboratory  
Contractor Separations**

### II.5.2.3 Current Work Force Restructuring

In FY 2003, RIF separations numbered 70, with 33 being voluntary and 37 involuntary. An additional 163 separations occurred through attrition (Exhibit II.5.2.2).

Site: Brookhaven National Laboratory		FY 2003			
		Number of Workers	Enhanced Costs Funded by WT (Section 3161)	Program Costs Funded by Other DOE Programs	Total Cost/Recipient
1.0	Voluntary Separations (Lines 1.1 + 1.2 + 1.3)	196	\$0	\$1,394,018	\$7,112
1.1	Early Retirement	26	\$0	\$1,237,996	\$47,615
1.2	Non-Retirement Voluntary Separations (Costs = Severance)	7	\$0	\$156,022	\$22,289
1.3	Attrition (Includes Normal Retirement)	163	n/a	n/a	n/a
2.0	Involuntary Separations (Lines 2.1 + 2.2) (Costs = Severance)	37	\$0	\$842,421	\$22,768
2.1	With Benefits (Lines 2.1.1 + 2.1.2)	37	\$0	\$842,421	\$22,768
2.1.1	Non-Construction Workers	37	\$0	\$842,421	\$22,768
2.1.2	Construction Workers	0	\$0	\$0	\$0
2.2	Without Benefits	0	n/a	n/a	n/a
3.0	Total Separations and Costs (Lines 1.0 + 2.0)	233	\$0	\$2,236,439	\$9,598
4.0	Other Affected Workers (Lines 4.1 + 4.2 + 4.3)	8	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining (Same Site & Company)	8	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs (Same Site & Company)	0	\$0	\$0	\$0
4.3	Workers Transferred to Other DOE Sites (Same or Different Company)	0	n/a	n/a	n/a
5.0	Other Benefits Provided (Lines 5.1 + 5.2 + 5.3 + 5.4)	n/a	\$0	\$61,566	n/a
5.1	Displaced Worker Medical Benefits	22	\$0	\$61,566	\$2,798
5.2	Relocation Assistance to Other DOE Sites	0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	0	\$0	\$0	\$0
5.4	Educational Assistance for Separated Workers	0	\$0	\$0	\$0
6.0	Total Costs for Fiscal Year 2003 (Lines 3.0 + 4.0 + 5.0)	n/a	\$0	\$2,298,005	n/a

Note 1: WT = DOE Office of Worker and Community Transition. Effective December 2003, WT was merged into newly established DOE Office of Legacy Management.  
Note 2: Section 3161 refers to that section of the National Defense Authorization Act for Fiscal Year 1993.  
Note 3: DOE = U.S. Department of Energy.  
Note 4: Total Separations = Line 3.0. Reduction-in-Force Separations = Total Separations (Line 3.0) - Attrition (Line 1.3).  
Note 5: n/a = not applicable.

### Exhibit II.5.2.2 Brookhaven National Laboratory Work Force Restructuring Summary

#### II.5.2.4 Work Force Restructuring Cost

The total work force restructuring cost incurred in FY 2003 at BNL was \$2,298,005 (Exhibit II.5.2.2).

#### II.5.2.5 Outplacement

BNL works with each involuntary RIF separation to assist with resume preparation and to make every effort to match the involuntary RIF staff with existing job openings. When appropriate, BNL contracts with an outplacement firm which provides workshops on searching for jobs and dealing with the trauma of a layoff. Any employee involuntarily separated is given preference-in-hiring for 52 weeks after that action has taken place.

#### II.5.2.6 Accomplishments and Lessons Learned

BNL has used term and project appointments for many projects. The use of such appointments reduces the need for involuntary separations and the cost of providing severance pay. Over the years, BNL has been very successful in reducing the number of involuntary separations through careful job matching, and this year was able to keep eight employees on the payroll in alternative positions. BNL is also very vigorous in trying to encourage voluntary layoffs to cut down on the number of involuntary layoffs.

#### **II.5.2.7 Future of the Site**

BNL envisions a future of accelerating progress in linking fundamental knowledge of the structure of matter with the practical technologies needed to address the most challenging problems of society. BNL is in the beginning stages of the upgrade of the National Synchrotron Light Source, has succeeded in being one of the National Laboratories selected for the Center for Functional Nanomaterials, and is looking towards the next generation of the Relativistic Heavy Ion Collider. In this context, BNL will provide innovative and leading-edge facilities that permit researchers from all over the world to make this link, and will foster the application of those facilities to problems of national significance consistent with DOE objectives.

## II.5.3 Hanford Site

### II.5.3.1 Background

The Hanford Site (Hanford) is engaged in a massive environmental cleanup project to deal with accumulated chemical and radioactive wastes resulting from decades of plutonium production for the Nation's nuclear weapons program. Today, Hanford is one of the largest and most complex environmental cleanup efforts in the Nation focusing on the environmental cleanup of the site's legacy Cold War wastes. The site is managed by the U. S. Department of Energy Richland Operations Office (RL) and the Office of River Protection (ORP). Primary contractors include Fluor Hanford, Inc. (FHI) with its team of subcontractors, and Bechtel Hanford, Inc. (BHI) reporting to RL, and CH2M HILL Hanford Group, Inc., and Bechtel National, Inc.(BNI), reporting to the ORP. Hanford is located in the State of Washington.

An important parallel mission to environmental cleanup is the development and deployment of new technologies, particularly those that will directly benefit environmental cleanup. This work is accomplished through the Pacific Northwest National Laboratory (PNNL) located at Hanford and operated by Battelle Memorial Institute.

### II.5.3.2 History of Work Force Restructuring

Total separations from FY 1995 through FY 2002 numbered 8,317, with 61 percent being voluntary and 39 percent involuntary (Exhibit II.5.3.1). Note: Beginning with FY 2001, the table below reflects only reduction-in-force (RIF) separations (total separations – attrition). Also in FY 2002, an additional 830 separations occurred through attrition.

Fiscal Year	Voluntary	Involuntary	Total
1995	3,166	1,398	4,564
1996	1,526	677	2,203
1997	336	433	769
1998	0	407	407
1999	32*	60	92
2000	0	46	46
2001	0	157	157
2002	0	79	79
Total	5,060	3,257	8,317

\* All through attrition.

### Exhibit II.5.3.1 Hanford Site Contractor Separations

### II.5.3.3 Current Work Force Restructuring

In FY 2003, RIF separations numbered 732, with all being involuntary. An additional 694 separations occurred through attrition (Exhibit II.5.3.2).

Site: Hanford Site		FY 2003				
		Number of Workers	Enhanced Costs Funded by WT (Section 3161)	Program Costs Funded by Other DOE Programs	Total Costs	Total Cost/Recipient
1.0	Voluntary Separations (Lines 1.1 + 1.2 + 1.3)	694	\$0	\$0	\$0	\$0
1.1	Early Retirement	0	\$0	\$0	\$0	\$0
1.2	Non-Retirement Voluntary Separations (Costs = Severance)	0	\$0	\$0	\$0	\$0
1.3	Attrition (Includes Normal Retirement)	694	n/a	n/a	n/a	n/a
2.0	Involuntary Separations (Lines 2.1 + 2.2) (Costs = Severance)	732	\$0	\$8,817,616	\$8,817,616	\$12,046
2.1	With Benefits (Lines 2.1.1 + 2.1.2)	567	\$0	\$8,817,616	\$8,817,616	\$15,551
2.1.1	Non-Construction Workers	558	\$0	\$8,795,104	\$8,795,104	\$15,762
2.1.2	Construction Workers	9	\$0	\$22,512	\$22,512	\$2,501
2.2	Without Benefits	165	n/a	n/a	n/a	n/a
3.0	Total Separations and Costs (Lines 1.0 + 2.0)	1,426	\$0	\$8,817,616	\$8,817,616	\$6,183
4.0	Other Affected Workers (Lines 4.1 + 4.2 + 4.3)	91	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining (Same Site & Company)	86	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs (Same Site & Company)	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other DOE Sites (Same or Different Company)	5	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided (Lines 5.1 + 5.2 + 5.3 + 5.4)	n/a	\$332,832	\$1,281,775	\$1,614,607	n/a
5.1	Displaced Worker Medical Benefits	469	\$0	\$1,195,454	\$1,195,454	\$2,549
5.2	Relocation Assistance to Other DOE Sites	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	486	\$291,114	\$86,321	\$377,435	\$777
5.4	Educational Assistance for Separated Workers	30	\$41,718	\$0	\$41,718	\$1,391
6.0	Total Costs for Fiscal Year 2003 (Lines 3.0 + 4.0 + 5.0)	n/a	\$332,832	\$10,099,391	\$10,432,223	n/a

Note 1: WT = DOE Office of Worker and Community Transition. Effective December 2003, WT was merged into newly established DOE Office of Legacy Management.

Note 2: Section 3161 refers to that section of the National Defense Authorization Act for Fiscal Year 1993.

Note 3: DOE = U.S. Department of Energy.

Note 4: Total Separations = Line 3.0. Reduction-in-Force Separations = Total Separations (Line 3.0) - Attrition (Line 1.3).

Note 5: n/a = not applicable.

### Exhibit II.5.3.2 Hanford Site Work Force Restructuring Summary

#### II.5.3.4 Work Force Restructuring Cost.

The total work force restructuring cost incurred in FY 2003 at Hanford was \$10,432,223 (Exhibit II.5.3.2).

#### II.5.3.5 Outplacement

In addition to outplacement services provided to displaced Hanford employees by WorkSource Columbia Basin (an outplacement center maintained by the State of Washington), a career transition center was set up at the Hanford Training Center facility. Hanford contractors shared equipment and office/classroom space for the career transition center, which helped to keep costs down. Outplacement services were provided at the new center by QuickHire, Inc., a company under contract to the Department of Energy (DOE). QuickHire and WorkSource Columbia Basin coordinated to provide an array of services to assist displaced workers to transition from Hanford to other opportunities.

#### II.5.3.6 Accomplishments and Lessons Learned

Partnering with other site contractors during work force restructuring activities makes good sense for all concerned and significantly reduces cost impacts from work force reductions and site-wide hiring costs. Because of the unique working relationship between FHI and CH2M

HILL (FHI provides benefits and payroll services to CH2M HILL), an efficient, collaborative process has evolved to support work force restructuring activities between the two contractors. Wherever possible, FHI and CH2M HILL share information and support placement of displaced workers from one contractor to the other as skill requirements permit. FHI also shared work force restructuring expertise with Hanford Environmental Health Foundation who planned and implemented an involuntary RIF in FY 2003.

Use of the "pay-in-lieu of work option," improvements in exit processing, closer coordination with WorkSource Columbia Basin, and use of centralized facilities for exit processing activities improved exit processing for worker separations in FY 2003. The goal of using the "pay-in-lieu of work option" is to make the exit process as safe, efficient, and productive as possible for all participating parties while refocusing the affected employee's attention on transitioning to his/her next life assignment and allowing remaining employees to more quickly adapt to their new business environment. Following receipt of an involuntary reduction of force notification letter, affected employees are asked to immediately gather their personal effects and are released from the workplace to begin their transition/exit process. Employees remain on the active roles for a period equivalent to 80 work hours and are "paid-in-lieu of work" at their normal base pay rate. During this period they are required to attend a variety of scheduled activities such as reduction of force benefits information sessions, medical/dosimetry exams, and other out-processing activities. During the remaining unscheduled hours, the employee is free to participate in outplacement, job search, or other activities that will support their transition out of the company. Although it is rare, the company retains the right to call on employees in this status during the 80-hour period to support business activities should the need arise.

Retaining the services of QuickHire to provide career transition/outplacement services and leasing available space at the Hanford Training Center to establish a career transition center, facilitated effective and efficient career transition services to displaced employees.

In FY 2003, FHI continued to use the formal process for determining RIF candidates that was developed by a legal firm contracted by FHI. CH2M HILL developed and utilized a formal process that was reviewed by internal and external legal counsel for determining RIF candidates. For both contractors, use of a disciplined process reduced time, costs, and legal liabilities associated with work force restructuring activities and remains a key element in their work force restructuring strategies.

#### **II.5.3.7 Future of the Site**

Progress in meeting Hanford's multiple cleanup objectives and outcomes should continue at an accelerated pace in FY 2004. Significant accomplishments can be expected in several areas including continued construction of a facility to vitrify (glassify) high-level tank wastes, ongoing removal of spent nuclear fuel away from the Columbia River, restoration work along the Columbia River corridor, stabilization of nuclear materials, and facilities transition.

Construction of the vitrification facility began in July 2001, and is expected to employ approximately 2,500 construction workers during the peak construction period ending in 2006. Total employment on the project including management, professional staff and construction is expected to be around 4,400. Facility construction completion is scheduled in 2008. Commissioning will begin in 2008 and continue during 2009-2010 and operations will begin in 2011.



Major work force restructuring is not anticipated at Hanford in FY 2004, but some adjustments will occur due to skill mix issues resulting from reprioritizing resources for cleanup work at an accelerated pace.

PNNL is a major, multi-program national laboratory with many unique capabilities. Its extensive scientific and technological resources address regional, national, and international concerns in support of all the national DOE missions in such areas as environmental health, global warming, energy efficiency, environmental cleanup, scientific computing, and nonproliferation of weapons of mass destruction. Work force restructuring has had minimal impact on PNNL, and there are no expectations for this to change in FY 2004.

### II.5.3.8 Community Transition

In May 1994, economic development organizations within the Hanford Site area designated the Tri-City Industrial Development Council (TRIDEC) as the Hanford community reuse organization. TRIDEC evaluates and recommends proposals that will create and retain high-value jobs in the area. TRIDEC also reviews and makes recommendations on the prioritization of Hanford resources to be transferred to the community and serves as a communication link between the site and other interests or organizations.

As of September 30, 2003, \$22,199,147 was committed to TRIDEC, of which \$20,291,581 was spent. A total of 2,264 jobs was created or retained (Exhibit II.5.3.3).

FY 1995 through FY 2003						
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created
<b>Completed</b>						
Infrastructure	\$1,470,000	\$0	\$1,470,000	\$1,470,000	0	\$0
Financing Programs	\$1,925,000	\$0	\$1,925,000	\$1,925,000	48	\$40,104
Community and Marketing Studies	\$465,343	\$0	\$465,343	\$465,343	0	\$0
Business Development Programs	\$10,382,760	\$130,000	\$10,512,760	\$10,512,760	1,081	\$9,725
<b>Active</b>						
Hanford Reindustrialization	\$862,500	\$0	\$862,500	\$721,893	75	\$9,625
Minority Program Development						
TRIDEC	\$181,111	\$0	\$181,111	\$146,463	47	\$3,116
PNNL, Local Technical Assistance Program	\$900,000	\$132,000	\$1,032,000	\$1,001,705	75	\$13,356
TRIDEC Incentive Fund	\$2,000,000	\$0	\$2,000,000	\$801,520	235	\$3,411
TRIDEC Marketing	\$1,750,000	\$0	\$1,750,000	\$1,538,826	688	\$2,237
TRIDEC Training Program	\$173,720	\$0	\$173,720	\$44,469	15	\$2,965
TRIDEC Administration*	\$1,826,713	\$0	\$1,826,713	\$1,663,602	0	\$0
<b>Totals</b>	<b>\$21,937,147</b>	<b>\$262,000</b>	<b>\$22,199,147</b>	<b>\$20,291,581</b>	<b>2,264</b>	<b>\$8,963</b>

Note 1: WT = DOE Office of Worker and Community Transition. Effective December 2003, WT was merged into newly established DOE Office of Legacy Management.

Note 2: Section 3161 refers to that section of the National Defense Authorization Act for Fiscal Year 1993.

Note 3: DOE = U.S. Department of Energy.

\* Funds used for administrative purposes. Job creation not intended.

### Exhibit II.5.3.3 Hanford Site Community Transition Funding and Job Creation by Project

The following is an update on selected activities:

- **TRIDEC Marketing Program.** Over the past year, the project continued its targeted recruitment campaign and assisted 42 companies with site location needs. TRIDEC hosted more than 28 community site visits. Additionally, TRIDEC responded to over 2,551 inquiries, produced 37 company-specific proposals, supplied relocation information and assistance to 11 actual clients, and produced 28,160 direct mail pieces. Companies that have relocated or expanded their operations in the Tri-Cities area have created a total of 688 jobs over the life of the program.
- **The Historically-Underutilized Businesses Development Program.** In FY 2003, the program provided 509 hours of counseling to 85 clients. A new operating facility, new strategic goals for longevity of the program, and expanded services are projected to be available in FY 2004.
- **PNNL Technical Assistance Program.** DOE funding of \$1,001,705 provided technical assistance to 253 firms and created 75 jobs.

## II.5.4 Idaho National Engineering and Environmental Laboratory (INEEL)

### II.5.4.1 Background

INEEL is a science-based, applied engineering national laboratory operated by Bechtel BWXT Idaho, LLC for the Department of Energy (DOE). Its mission is focused in the areas of environment, energy, science, and national defense. INEEL is located in Idaho.

### II.5.4.2 History of Work Force Restructuring

Total separations from FY 1993 through FY 2002 numbered 2,874, with 94 percent being voluntary and 6 percent involuntary (Exhibit II.5.4.1). Note: Beginning with FY 2001, the table below reflects only reduction-in-force (RIF) separations (total separations - attrition). Also in FY 2002, an additional 229 separations occurred through attrition.

Fiscal Year	Voluntary	Involuntary	Total
1993/94	30	20	50
1995	1,493	0	1,493
1996	402	0	402
1997	0	0	0
1998	125*	0	125
1999	0	3	3
2000	0	12	12
2001	617	0	617
2002	24	148	172
Total	2,691	183	2,874

\*All through attrition.

### Exhibit II.5.4.1 Idaho National Engineering and Environmental Laboratory Contractor Separations

### II.5.4.3 Current Work Force Restructuring

In FY 2003, RIF separations numbered 204, with all being involuntary. An additional 198 separations occurred through attrition (Exhibit II.5.4.2).

Site: Idaho National Engineering and Environmental Laboratory		FY 2003				
		Number of Workers	Enhanced Costs Funded by WT (Section 3161)	Program Costs Funded by Other DOE Programs	Total Costs	Total Cost/Recipient
1.0	Voluntary Separations (Lines 1.1 + 1.2 + 1.3)	198	\$0	\$0	\$0	\$0
1.1	Early Retirement	0	\$0	\$0	\$0	\$0
1.2	Non-Retirement Voluntary Separations (Costs = Severance)	0	\$0	\$0	\$0	\$0
1.3	Attrition (Includes Normal Retirement)	198	n/a	n/a	n/a	n/a
2.0	Involuntary Separations (Lines 2.1 + 2.2) (Costs = Severance)	204	\$1,116,000	\$1,686,662	\$2,802,662	\$13,739
2.1	With Benefits (Lines 2.1.1 + 2.1.2)	186	\$1,116,000	\$1,686,662	\$2,802,662	\$15,068
2.1.1	Non-Construction Workers	186	\$1,116,000	\$1,686,662	\$2,802,662	\$15,068
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits*	18	n/a	n/a	n/a	n/a
3.0	Total Separations and Costs (Lines 1.0 + 2.0)	402	\$1,116,000	\$1,686,662	\$2,802,662	\$6,972
4.0	Other Affected Workers (Lines 4.1 + 4.2 + 4.3)	245	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining (Same Site & Company)	245	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs (Same Site & Company)	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other DOE Sites (Same or Different Company)**	0	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided (Lines 5.1 + 5.2 + 5.3 + 5.4)	n/a	\$0	\$220,608	\$220,608	n/a
5.1	Displaced Worker Medical Benefits	75	\$0	\$220,608	\$220,608	\$2,941
5.2	Relocation Assistance to Other DOE Sites	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	0	\$0	\$0	\$0	\$0
5.4	Educational Assistance for Separated Workers	0	\$0	\$0	\$0	\$0
6.0	Total Costs for Fiscal Year 2003 (Lines 3.0 + 4.0 + 5.0)	n/a	\$1,116,000	\$1,907,270	\$3,023,270	n/a

Note 1: WT = DOE Office of Worker and Community Transition. Effective December 2003, WT was merged into newly established DOE Office of Legacy Management.  
 Note 2: Section 3161 refers to that section of the National Defense Authorization Act for Fiscal Year 1993.  
 Note 3: DOE = U.S. Department of Energy.  
 Note 4: Total Separations = Line 3.0. Reduction-in-Force Separations = Total Separations (Line 3.0) - Attrition (Line 1.3).  
 Note 5: n/a = not applicable.

\* Represents temporary laborers.

\*\* May be greater than 0, because transfers are not tracked.

### Exhibit II.5.4.2 Idaho National Engineering and Environmental Laboratory Work Force Restructuring Summary

#### II.5.4.4 Work Force Restructuring Cost

The total work force restructuring cost incurred in FY 2003 at INEEL was \$3,023,270 (Exhibit II.5.4.2).

#### II.5.4.5 Outplacement

The following services that were in place for the restructuring efforts during FY 2002 were updated to assist employees during FY 2003:

- A virtual job fair is available on the Internet for employees affected by restructuring. This allows employers an opportunity to advertise their needs and open positions as well as provide an opportunity for displaced workers to showcase their skills and search for available positions locally and outside of the immediate area.
- The Idaho Job Service continues to work closely with affected individuals providing services such as counseling, education, and training opportunities, as well as peer support. Information regarding their services, including unemployment compensation, was also included in separation packets.

- Information about the Eastern Idaho Development Council, which links employees with companies in the area, was provided in separation packages.
- Outplacement services provided by QuickHire/Monster Government Solutions were reviewed; however, this was too late in INEEL's process to be a viable tool for the FY 2003 restructuring. Review of their services will continue for possible incorporation into future outplacement activities.

#### **II.5.4.6 Accomplishments and Lessons Learned**

INEEL continues to use the approved Multi-Year Work Force Restructuring Plan to guide the separation process. At the completion of each downsizing, a lessons-learned session is held, and comments are incorporated into the process.

A strong communications plan incorporated a question-and-answer forum as well as timely communications to employees, managers, and stakeholders.

Training for management was a critical component. Managers were trained in how to conduct the selection process, the notification meeting for affected employees, and a group meeting to assist the remaining employees in expressing their thoughts.

A third-party intervention element was built into the involuntary separation process to assist employees with the next steps. Additionally, this enabled notifying managers to keep from being drawn into arguments about the selection process.

The involuntary separation process included a legal review which required selecting managers to document the business case for reductions.

Off-site benefit briefings provided for the affected individuals, as well as family members, increased the understanding and comfort level of separated employees.

Personalized retirement information was provided to every impacted individual to further enhance their understanding of all available options.

#### **II.5.4.7 Future of the Site**

In 2004, DOE released two Requests for Proposals (RFPs) for missions related to the new Idaho National Laboratory (INL). The first RFP focuses on DOE's establishment of the nation's premier laboratory for nuclear energy research, development, demonstration, and education within a decade. The second RFP, termed the Idaho Cleanup Project (ICP), establishes a scope of work for accelerating the environmental remediation activities at the Idaho site.

The Idaho National Laboratory combines the research and development components of the Idaho National Engineering and Environmental Laboratory and Argonne National Laboratory West. The new lab will begin operation on February 1, 2005.

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## **Idaho National Laboratory**

On May 26, 2004, DOE released a final RFP inviting companies to submit their best competitive proposals to establish the INL as the nation's premier laboratory for nuclear energy research and development. INL will be a multi-program national laboratory that will perform scientific research and technology development across a wide range of disciplines. Its core missions will be the development of advanced, next-generation nuclear energy technologies, promoting nuclear technology education, and applying its technical skills to enhance the nation's security. The lab will continue to build on its role as the Office of Civilian Radioactive Waste Management's Center for assuring readiness of DOE spent fuel shipments to the nation's repository. It will also support a host of ongoing research and development activities for DOE and a diverse collection of programs for the Department of Defense, the Department of Homeland Security, and the National Aeronautics and Space Administration.

"The new Idaho National Laboratory will be the epicenter of our efforts to expand the use of nuclear energy as a reliable, affordable and clean energy source for our Nation's energy future and establish opportunities for Idaho businesses, its people and universities," said Energy Secretary Spencer Abraham. "The technologies that will be born at this lab will help us realize our far-reaching energy and environmental goals of reducing our dependency on foreign sources of energy, while still allowing for vibrant economic growth."

INL will lead the Department's research and development effort in developing an advanced nuclear energy system that will produce both inexpensive electric power and large quantities of cost-effective hydrogen to support the development of a clean and efficient hydrogen economy in the United States. After careful consideration and consultation with international partners and independent advisors, the Department decided upon the Next Generation Nuclear Plant as its leading concept to implement this vision. The Department has embarked on the consideration of a potential project to demonstrate this technology in pilot form. Simultaneously with the release of Idaho's National Laboratory Request for Proposal, DOE released a request for expressions of interest that provide details on the department's proposed strategy for pursuing this new technology.

## **Idaho Cleanup Project**

On July 21, 2004, DOE released a final RFP for the Idaho Cleanup Project that will expedite safe cleanup of the Idaho site while fully protecting the Snake River Plain Aquifer.

"Our cleanup plan marks a significant and aggressive new approach for the safe and effective cleanup at the Idaho facilities," said Energy Secretary Spencer Abraham.

DOE will award a cost plus incentive fee contract to the offeror that represents the best value to the government and demonstrates that it can meet the cleanup goals for the Idaho site. DOE anticipates award of the contract March 15, 2005, with a contractor takeover date of May 1, 2005.

Except for certain management-level positions, the contractors will be required to offer employment to existing incumbent employees under both contracts.

#### II.5.4.8 Community Transition

The Eastern Idaho Community Reuse Organization (EICRO) was established in October 1994 to diversify the regional economy by creating the widest possible range of employment opportunities for the region's residents, while preserving and enhancing their quality of life. The Regional Development Alliance, Inc., (RDA), a nonprofit corporation, was selected by the State of Idaho to receive and administer funds provided to the state through a federal court-mandated settlement agreement on the disposition of spent nuclear fuel between the state and DOE. The Department provided \$30 million to the state as required by the agreement.

As of September 30, 2003, a total of \$37,325,000 was committed to EICRO and the State of Idaho, of which \$28,085,037 was spent. A total of 6,449 jobs was created or retained (Exhibit II.5.4.3).

FY 1995 through FY 2003						
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created
<b>Completed</b>						
Assist Local ED Organizations	\$910,561	\$0	\$910,561	\$910,561	684	\$1,331
Entrepreneurial Development	\$14,744	\$0	\$14,744	\$14,744	68	\$217
FY 1995 Planning Grant*	\$325,000	\$0	\$325,000	\$325,000	0	\$0
<b>Active</b>						
Regional Projects & Marketing	\$727,047	\$0	\$727,047	\$727,047	660	\$1,102
Clean Coal Energy Facility	\$300,000	\$0	\$300,000	\$250,000	0	\$0
Property Reuse	\$240,000	\$0	\$240,000	\$50,037	38	\$1,317
Enterprise Fund - Capital	\$3,200,000	\$0	\$3,200,000	\$3,200,000	1,999	\$1,601
State of Idaho (RDA)	\$30,000,000	\$0	\$30,000,000	\$21,000,000	3,000	\$7,000
Administration*	\$1,607,648	\$0	\$1,607,648	\$1,607,648	0	\$0
<b>Totals</b>	<b>\$37,325,000</b>	<b>\$0</b>	<b>\$37,325,000</b>	<b>\$28,085,037</b>	<b>6,449</b>	<b>\$4,355</b>

Note 1: WT = DOE Office of Worker and Community Transition. Effective December 2003, WT was merged into newly established DOE Office of Legacy Management.

Note 2: Section 3161 refers to that section of the National Defense Authorization Act for Fiscal Year 1993.

Note 3: DOE = U.S. Department of Energy.

\* Funds used for administrative purposes. Job creation not intended.

#### Exhibit II.5.4.3 Idaho National Engineering and Environmental Laboratory Community Transition Funding and Job Creation by Project

The following is an update on selected activities:

- **Business Retention and Expansion (BRE) Program.** EICRO has successfully implemented a BRE program. Over 125 companies have been visited to-date, giving quantifiable insight into business practices, local business climate, and opportunities in

Eastern Idaho. The BRE program is building relationships with local business leaders to help identify both those companies that are at risk of leaving the community, and those who need assistance with expansion opportunities. This year's program focused efforts on industries such as manufacturing, value-added agriculture, and high technology.

- **EICRO Marketing.** EICRO has increased its marketing efforts to attract outside businesses to the region through an Internet-based web portal and a multi-media CD-ROM.
- **Regional Development Alliance, Inc. (RDA).** The State of Idaho disbursed a total of \$21 million of its \$30 million funding to the RDA. The RDA provides financial assistance for business expansion, new business creation, relocation for out-of-state businesses, and development of infrastructure necessary to support business (e.g., sewer and utility access). The RDA set goals for job creation, pay scale and company startup, expansion, and relocation. A part of this funding included \$400,000 disbursed to Idaho State University for expansion of the Idaho Accelerator Center to increase its research capabilities. These funds helped leverage an additional \$40 million for expansion activities.



## II.5.5 Kansas City Plant

### II.5.5.1 Background

The Kansas City Plant (KCP) is responsible for the development, procurement, and production of non-nuclear components for the Nation's nuclear weapons program. Honeywell, Federal Manufacturing & Technologies (FM&T) is the management and operating contractor. KCP is located in Missouri.

### II.5.5.2 History of Work Force Restructuring

Total separations from FY 1993 through FY 2002 numbered 1,979, with 77 percent being voluntary and 23 percent involuntary (Exhibit II.5.5.1). Note: Beginning with FY 2001, the table below reflects only reduction-in-force (RIF) separations (total separations - attrition). Also in FY 2002, an additional 120 separations occurred through attrition.

Fiscal Year	Voluntary	Involuntary	Total
1993/94	672	331	1,003
1995	154*	0	154
1996	48*	0	48
1997	0	0	0
1998	380	43	423
1999	93*	57	150
2000	108	19	127
2001	68	3	71
2002	0	3	3
Total	1,523	456	1,979

\* All through attrition.

### Exhibit II.5.5.1 Kansas City Plant Contractor Separations

### II.5.5.3 Current Work Force Restructuring

In FY 2003, RIF separations numbered 44, with 26 being voluntary and 18 involuntary. An additional 120 separations occurred through attrition (Exhibit II.5.5.2).

	Site: Kansas City Plant	FY 2003				
		Number of Workers	Enhanced Costs Funded by WT (Section 3161)	Program Costs Funded by Other DOE Programs	Total Costs	Total Cost/Recipient
1.0	Voluntary Separations (Lines 1.1 + 1.2 + 1.3)	146	\$0	\$390,000	\$390,000	\$2,671
1.1	Early Retirement	26	\$0	\$390,000	\$390,000	\$15,000
1.2	Non-Retirement Voluntary Separations (Costs = Severance)	0	\$0	\$0	\$0	\$0
1.3	Attrition (Includes Normal Retirement)	120	n/a	n/a	n/a	n/a
2.0	Involuntary Separations (Lines 2.1 + 2.2) (Costs = Severance)	18	\$0	\$86,015	\$86,015	\$4,779
2.1	With Benefits (Lines 2.1.1 + 2.1.2)	4	\$0	\$86,015	\$86,015	\$21,504
2.1.1	Non-Construction Workers	4	\$0	\$86,015	\$86,015	\$21,504
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits	14	n/a	n/a	n/a	n/a
3.0	Total Separations and Costs (Lines 1.0 + 2.0)	164	\$0	\$476,015	\$476,015	\$2,903
4.0	Other Affected Workers (Lines 4.1 + 4.2 + 4.3)	0	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining (Same Site & Company)	0	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs (Same Site & Company)	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other DOE Sites (Same or Different Company)	0	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided (Lines 5.1 + 5.2 + 5.3 + 5.4)	n/a	\$0	\$0	\$0	n/a
5.1	Displaced Worker Medical Benefits	0	\$0	\$0	\$0	\$0
5.2	Relocation Assistance to Other DOE Sites	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	0	\$0	\$0	\$0	\$0
5.4	Educational Assistance for Separated Workers	0	\$0	\$0	\$0	\$0
6.0	Total Costs for Fiscal Year 2003 (Lines 3.0 + 4.0 + 5.0)	n/a	\$0	\$476,015	\$476,015	n/a

Note 1: WT = DOE Office of Worker and Community Transition. Effective December 2003, WT was merged into newly established DOE Office of Legacy Management.  
 Note 2: Section 3161 refers to that section of the National Defense Authorization Act for Fiscal Year 1993.  
 Note 3: DOE = U.S. Department of Energy.  
 Note 4: Total Separations = Line 3.0. Reduction-in-Force Separations = Total Separations (Line 3.0) - Attrition (Line 1.3).  
 Note 5: n/a = not applicable.

### Exhibit II.5.5.2 Kansas City Plant Work Force Restructuring Summary

#### II.5.5.4 Work Force Restructuring Cost

The total work force restructuring cost incurred in FY 2003 at KCP was \$476,015 (Exhibit II.5.5.2).

#### II.5.5.5 Outplacement

Outplacement services were not offered during FY 2003.

#### II.5.5.6 Accomplishments and Lessons Learned

The summer internship program continues to be an excellent resource for developing pipeline talent as a source for both critical and other needed skills. Twenty-five graduating interns accepted full-time offers in FY 2003.

#### **II.5.5.7 Future of the Site**

Hiring continues at KCP to replace critical-skill employees who have left. Training and development of new college graduates will ensure the adequate transfer of knowledge and preservation of that knowledge within the nuclear weapons complex.

## II.5.6 Lawrence Livermore National Laboratory

### II.5.6.1 Background

The Lawrence Livermore National Laboratory (LLNL), one of three research laboratories managed by the University of California, is a national security laboratory whose mission is to solve complex scientific and technical problems of national importance. LLNL has facilities in California and Nevada.

### II.5.6.2 History of Work Force Restructuring

Total separations from FY 1995 through FY 2002 numbered 1,956, with 98 percent being voluntary and 2 percent involuntary (Exhibit II.5.6.1). Note: Beginning with FY 2001, the table below reflects only reduction-in-force (RIF) separations (total separations - attrition). Also in FY 2002, 286 separations occurred through attrition.

Fiscal Year	Voluntary	Involuntary	Total
1995	753*	0	753
1996	878	0	878
1997	285	0	285
1998	0	23	23
1999	0	0	0
2000	0	17	17
2001	0	0	0
2002	0	0	0
<b>Total</b>	<b>1,916</b>	<b>40</b>	<b>1,956</b>

\* All through attrition.

### Exhibit II.5.6.1 Lawrence Livermore National Laboratory Contractor Separations

### II.5.6.3 Current Work Force Restructuring

In FY 2003, there were no RIF separations. However, 299 separations did occur through attrition (Exhibit II.5.6.2).

Site: Lawrence Livermore National Laboratory		FY 2003				
		Number of Workers	Enhanced Costs Funded by WT (Section 3161)	Program Costs Funded by Other DOE Programs	Total Costs	Total Cost/Recipient
1.0	Voluntary Separations (Lines 1.1 + 1.2 + 1.3)	299	\$0	\$0	\$0	\$0
1.1	Early Retirement	0	\$0	\$0	\$0	\$0
1.2	Non-Retirement Voluntary Separations (Costs = Severance)	0	\$0	\$0	\$0	\$0
1.3	Attrition (Includes Normal Retirement)	299	n/a	n/a	n/a	n/a
2.0	Involuntary Separations (Lines 2.1 + 2.2) (Costs = Severance)	0	\$0	\$0	\$0	\$0
2.1	With Benefits (Lines 2.1.1 + 2.1.2)	0	\$0	\$0	\$0	\$0
2.1.1	Non-Construction Workers	0	\$0	\$0	\$0	\$0
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits	0	n/a	n/a	n/a	n/a
3.0	Total Separations and Costs (Lines 1.0 + 2.0)	299	\$0	\$0	\$0	\$0
4.0	Other Affected Workers (Lines 4.1 + 4.2 + 4.3)	0	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining (Same Site & Company)	0	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs (Same Site & Company)	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other DOE Sites (Same or Different Company)	0	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided (Lines 5.1 + 5.2 + 5.3 + 5.4)	n/a	\$0	\$0	\$0	n/a
5.1	Displaced Worker Medical Benefits	0	\$0	\$0	\$0	\$0
5.2	Relocation Assistance to Other DOE Sites	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	0	\$0	\$0	\$0	\$0
5.4	Educational Assistance for Separated Workers	0	\$0	\$0	\$0	\$0
6.0	Total Costs for Fiscal Year 2003 (Lines 3.0 + 4.0 + 5.0)	n/a	\$0	\$0	\$0	n/a

Note 1: WT = DOE Office of Worker and Community Transition. Effective December 2003, WT was merged into newly established DOE Office of Legacy Management.

Note 2: Section 3161 refers to that section of the National Defense Authorization Act for Fiscal Year 1993.

Note 3: DOE = U.S. Department of Energy.

Note 4: Total Separations = Line 3.0. Reduction-in-Force Separations = Total Separations (Line 3.0) - Attrition (Line 1.3).

Note 5: n/a = not applicable.

## Exhibit II.5.6.2 Lawrence Livermore National Laboratory Work Force Restructuring Summary

### II.5.6.4 Work Force Restructuring Cost

There was no work force restructuring cost incurred in FY 2003 at LLNL (Exhibit II.5.6.2).

### II.5.6.5 Outplacement

While LLNL did not experience any RIF separations in FY 2003, its career center provides a variety of resources should there be a need for restructuring. Assistance is provided in career management, access to information on job opportunities available elsewhere, and job market trends. Also available are business directories and publications, a lending library with books, audiotapes, and videotapes concerning job search, career development, and aging and planning for retirement, as well as access to Internet resources on these topics. Career counselors are available for one-on-one counseling, and workshops are offered weekly on a variety of career-related topics that include resume writing, interviewing skills, and dealing with change.

### II.5.6.6 Accomplishments and Lessons Learned

LLNL places a high value on training and development. Developing employees' capabilities for their current assignments will also help them be more competitive for other assignments, both in and outside the Laboratory. LLNL has made significant investments in new training technologies, including a variety of computer-based training, Internet courses, and an online learning center that offers a broad range of courses in computer skills, software applications training, and project management. The system may be accessed at any time, and employees can use it as an alternative or a supplement to live training classes.

#### **II.5.6.7 Future of the Site**

LLNL continues to focus its efforts on some of the Nation's top priorities. Nuclear Stockpile stewardship and stemming the proliferation of weapons of mass destruction have historically been part of its mission. LLNL anticipates potential involvement in the scientific and technical aspects of homeland security. Meeting these challenges requires a highly-skilled work force with a diversity of technical and scientific skills, as well as operational and administrative expertise.

## II.5.7 Los Alamos National Laboratory

### II.5.7.1 Background

The Los Alamos National Laboratory (LANL), one of the largest multi-disciplinary research institutions in the world, is managed for the Department of Energy (DOE) by the University of California. Its mission includes enhancing global security by using science and engineering to ensure the safety, reliability, and performance of the Nation's nuclear weapons stockpile and by helping reduce threats to U.S. security, with a focus on weapons of mass destruction. The Laboratory is also involved in cleaning up the legacy of the Cold War as well as providing technical solutions to energy, environment, and health problems. LANL is located in New Mexico.

### II.5.7.2 History of Work Force Restructuring

Total separations from FY 1995 through FY 2002 numbered 1,014, with 74 percent being voluntary and 26 percent involuntary (Exhibit II.5.7.1). Note: Beginning with FY 2001, the table below reflects only reduction-in-force (RIF) separations (total separations - attrition). Also in FY 2002, 335 separations occurred through attrition.

Fiscal Year	Voluntary	Involuntary	Total
1995	452	64	516
1996	181*	193	374
1997	0	2	2
1998	0	0	0
1999	0	0	0
2000	122*	0	122
2001	0	0	0
2002	0	0	0
<b>Total</b>	<b>755</b>	<b>259</b>	<b>1,014</b>

\* All through attrition.

#### Exhibit II.5.7.1 Los Alamos National Laboratory Contractor Separations

### II.5.7.3 Current Work Force Restructuring

In FY 2003, there were no RIF separations. However, 414 separations did occur through attrition (Exhibit II.5.7.2).

Site: Los Alamos National Laboratory		FY 2003				
		Number of Workers	Enhanced Costs Funded by WT (Section 3161)	Program Costs Funded by Other DOE Programs	Total Costs	Total Cost/Recipient
1.0	Voluntary Separations (Lines 1.1 + 1.2 + 1.3)	414	\$0	\$0	\$0	\$0
1.1	Early Retirement	0	\$0	\$0	\$0	\$0
1.2	Non-Retirement Voluntary Separations (Costs = Severance)	0	\$0	\$0	\$0	\$0
1.3	Attrition (Includes Normal Retirement)	414	n/a	n/a	n/a	n/a
2.0	Involuntary Separations (Lines 2.1 + 2.2) (Costs = Severance)	0	\$0	\$0	\$0	\$0
2.1	With Benefits (Lines 2.1.1 + 2.1.2)	0	\$0	\$0	\$0	\$0
2.1.1	Non-Construction Workers	0	\$0	\$0	\$0	\$0
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits	0	n/a	n/a	n/a	n/a
3.0	Total Separations and Costs (Lines 1.0 + 2.0)	414	\$0	\$0	\$0	\$0
4.0	Other Affected Workers (Lines 4.1 + 4.2 + 4.3)	1	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining (Same Site & Company)	1	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs (Same Site & Company)	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other DOE Sites (Same or Different Company)	0	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided (Lines 5.1 + 5.2 + 5.3 + 5.4)	n/a	\$0	\$0	\$0	n/a
5.1	Displaced Worker Medical Benefits	0	\$0	\$0	\$0	\$0
5.2	Relocation Assistance to Other DOE Sites	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	0	\$0	\$0	\$0	\$0
5.4	Educational Assistance for Separated Workers	0	\$0	\$0	\$0	\$0
6.0	Total Costs for Fiscal Year 2003 (Lines 3.0 + 4.0 + 5.0)	n/a	\$0	\$0	\$0	n/a

Note 1: WT = DOE Office of Worker and Community Transition. Effective December 2003, WT was merged into newly established DOE Office of Legacy Management.  
 Note 2: Section 3161 refers to that section of the National Defense Authorization Act for Fiscal Year 1993.  
 Note 3: DOE = U.S. Department of Energy.  
 Note 4: Total Separations = Line 3.0. Reduction-in-Force Separations = Total Separations (Line 3.0) - Attrition (Line 1.3).  
 Note 5: n/a = not applicable.

### Exhibit II.5.7.2 Los Alamos National Laboratory Work Force Restructuring Summary

#### II.5.7.4 Work Force Restructuring Cost

There was no work force restructuring cost incurred in FY 2003 at LANL (Exhibit II.5.7.2).

#### II.5.7.5 Outplacement

There were no outplacement services used during FY 2003.

#### II.5.7.6 Accomplishments and Lessons Learned

LANL has continued to place a major focus on addressing regional issues to improve its standing in the diverse regional community environment within which it operates. As a result, LANL has increased its community involvement activities by supporting regional economic development and educational outreach. Educational actions include the formation of the Northern New Mexico Council for Excellence in Education and the development of a Mathematics and Science Academy. Additionally, LANL created the Los Alamos National Laboratory Foundation, a nonprofit, philanthropic entity organized to promote and fund a broad range of educational and public service activities throughout Northern New Mexico communities.



LANL has also initiated a new work force flexibility program that helps employees who lose total or partial funding to find other work within the Laboratory on either a temporary or permanent basis.

### II.5.7.7 Future of the Site

LANL does not anticipate any major work force restructuring in FY 2004.

### II.5.7.8 Community Transition

In 1996, the nonprofit Regional Development Corporation (RDC) was recognized by DOE as the community reuse organization for Northern New Mexico community transition activities. RDC's strategy is to build upon cluster-based economic development sectors. To address specific community challenges, the RDC initiates and implements projects that are community-specific, regional, and/or statewide in scope, and add long-term value to the regional economy.

As of September 30, 2003, a total of \$13,436,587 was committed to RDC, of which \$12,840,355 was spent. A total of 1,576 jobs was created or retained (Exhibit II.5.7.3).

FY 1993 through FY 2003						
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created
<b>Completed</b>						
RDC: Closed Infrastructure Grants	\$6,229,883	\$0	\$6,229,883	\$6,229,883	595	\$10,470
RDC: Closed Business Development Grants	\$1,093,750	\$0	\$1,093,750	\$1,093,750	210	\$5,208
RDC: Closed Agriculture Grants	\$770,502	\$0	\$770,502	\$770,502	41	\$18,793
RDC: Closed Work Force Development	\$830,774	\$0	\$830,774	\$830,774	135	\$6,154
<b>Active</b>						
NM Internet Professionals Assn	\$600,000	\$0	\$600,000	\$565,500	392	\$1,443
Connect Rio Arriba	\$121,804	\$0	\$121,804	\$3,677	0	\$0
Otra Vez	\$300,000	\$0	\$300,000	\$6,762	0	\$0
NM BIZ Sites	\$209,000	\$0	\$209,000	\$117,722	176	\$669
RDC Administrative*	\$1,598,593	\$0	\$1,598,593	\$1,541,852	0	\$0
Other New Mexico Projects	\$821,900	\$860,381	\$1,682,281	\$1,679,933	27	\$62,220
<b>Totals</b>	<b>\$12,576,206</b>	<b>\$860,381</b>	<b>\$13,436,587</b>	<b>\$12,840,355</b>	<b>1,576</b>	<b>\$8,147</b>

Note 1: WT = DOE Office of Worker and Community Transition. Effective December 2003, WT was merged into newly established DOE Office of Legacy Management.

Note 2: Section 3161 refers to that section of the National Defense Authorization Act for Fiscal Year 1993.

Note 3: DOE = U.S. Department of Energy.

\* Funds used for administrative purposes. Job creation not intended.

### Exhibit II.5.7.3 Los Alamos National Laboratory Community Transition Funding and Job Creation by Project

The following is an update on selected activities:

- New Mexico Internet Professionals Association (NMIPA).** During FY 2003, RDC funded NMIPA to improve business conditions for local Internet professionals and educate the public about web-based economic opportunities. NMIPA develops and implements web-related training and e-commerce marketing for small businesses. More than 840 businesses have taken NMIPA courses since spring 2000. To date, 392 jobs have been created by this project.

- **Connect Rio Arriba.** Significant activity occurred in FY 2003. With RDC's leadership, Rio Arriba County stakeholders are developing and building a publicly-accessible broadband network using multi-access points strategically located in villages throughout the Chama Valley.
- **New Mexico Biz Sites.** During FY 2003, New Mexico Biz Sites was launched. This Internet site is a commercial property locator for Northern New Mexico. It provides both business and demographic information about surrounding available properties. Since launched in February 2003, 176 jobs have been created and over 324 commercial properties have been listed. The site has already received three achievement awards for innovation.

## II.5.8 Nevada Test Site

### II.5.8.1 Background

Established as the Atomic Energy Commission's on-continent proving ground, the Nevada Test Site (NTS) has seen more than four decades of nuclear weapons testing. Since the nuclear weapons testing moratorium in 1992, and, under the direction of the Department of Energy (DOE), test site use has diversified into many other programs such as hazardous chemical spill testing, emergency response training, conventional weapons testing, and waste management and environmental technology studies. The NTS, located in Nevada, is managed and operated for DOE by Bechtel Nevada (BN).

### II.5.8.2 History of Work Force Restructuring

Total separations from FY 1993 through FY 2002 numbered 4,944, with 41 percent being voluntary and 59 percent involuntary (Exhibit II.5.8.1). Note: Beginning with FY 2001, the table below reflects only reduction-in-force (RIF) separations (total separations - attrition). Also in FY 2002, an additional 224 separations occurred through attrition.

Fiscal Year	Voluntary	Involuntary	Total
1993/94	508	500	1,008
1995	976	536	1,512
1996	539	799	1,338
1997	0	432	432
1998	0	113	113
1999	0	143	143
2000	0	159	159
2001	0	114	114
2002	0	125	125
Total	2023	2,921	4,944

**Exhibit II.5.8.1 Nevada Test Site Contractor Separations**

### II.5.8.3 Current Work Force Restructuring

In FY 2003, RIF separations numbered 249, with all being involuntary. An additional 149 separations occurred through attrition (Exhibit II.5.8.2).

Site: Nevada Test Site		FY 2003				
		Number of Workers	Enhanced Costs Funded by WT (Section 3161)	Program Costs Funded by Other DOE Programs	Total Costs	Total Cost/Recipient
1.0	Voluntary Separations (Lines 1.1 + 1.2 + 1.3)	149	\$0	\$0	\$0	\$0
1.1	Early Retirement	0	\$0	\$0	\$0	\$0
1.2	Non-Retirement Voluntary Separations (Costs = Severance)	0	\$0	\$0	\$0	\$0
1.3	Attrition (Includes Normal Retirement)	149	n/a	n/a	n/a	n/a
2.0	Involuntary Separations (Lines 2.1 + 2.2) (Costs = Severance)	249	\$0	\$83,223	\$83,223	\$334
2.1	With Benefits (Lines 2.1.1 + 2.1.2)	7	\$0	\$83,223	\$83,223	\$11,889
2.1.1	Non-Construction Workers	7	\$0	\$83,223	\$83,223	\$11,889
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits	242	n/a	n/a	n/a	n/a
3.0	Total Separations and Costs (Lines 1.0 + 2.0)	398	\$0	\$83,223	\$83,223	\$209
4.0	Other Affected Workers (Lines 4.1 + 4.2 + 4.3)	8	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining (Same Site & Company)	0	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs (Same Site & Company)	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other DOE Sites (Same or Different Company)	8	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided (Lines 5.1 + 5.2 + 5.3 + 5.4)	n/a	\$0	\$144,759	\$144,759	n/a
5.1	Displaced Worker Medical Benefits	20	\$0	\$144,759	\$144,759	\$7,238
5.2	Relocation Assistance to Other DOE Sites	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	0	\$0	\$0	\$0	\$0
5.4	Educational Assistance for Separated Workers	0	\$0	\$0	\$0	\$0
6.0	Total Costs for Fiscal Year 2003 (Lines 3.0 + 4.0 + 5.0)	n/a	\$0	\$227,982	\$227,982	n/a

Note 1:

Note 2:

Note 3:

Note 4:

Note 5:

WT = DOE Office of Worker and Community Transition. Effective December 2003, WT was merged into newly established DOE Office of Legacy Management.  
 Section 3161 refers to that section of the National Defense Authorization Act for Fiscal Year 1993.  
 DOE = U.S. Department of Energy.  
 Total Separations = Line 3.0. Reduction-in-Force Separations = Total Separations (Line 3.0) - Attrition (Line 1.3).  
 n/a = not applicable.

### Exhibit II.5.8.2 Nevada Test Site Work Force Restructuring Summary

#### II.5.8.4 Work Force Restructuring Cost

The total work force restructuring cost incurred in FY 2003 at Nevada was \$227,982 (Exhibit II.5.8.2).

#### II.5.8.5 Outplacement

Because of the limited number of RIF separations over the past few years, BN provides internal outplacement services only. These services include assistance with career counseling and resume writing. The State of Nevada Job Training Office also conducts periodic briefings that provide information on employment security, consumer credit counseling services, and union apprenticeship programs.

#### **II.5.8.6 Accomplishments and Lessons Learned**

At the time of layoffs, BN and its predecessor contractors established a section 3161 tuition assistance program to help separated employees obtain education necessary to re-enter the job market. This training has included education to help employees further master their existing occupation as well as help other employees make full career changes. Between 1996 and 2002, approximately 2,700 employees signed up for educational assistance under this program. This training has been a key component in reducing the number of employees on the BN preference-in-hiring list who were looking for employment to zero. This program has been discontinued due to no more candidates being eligible.

BN continues to offer displaced worker medical benefits coverage to employees who are affected by a RIF action.

#### **II.5.8.7 Future of the Site**

Projections for FY 2004 indicate that BN will separate less than 100 employees. Adjustments for the skills mix required and the further need for efficiency of operations are the anticipated causes of these reductions. Any separations that take place are expected to occur sporadically throughout the year.

#### **II.5.8.8 Community Transition**

The Nevada Test Site Development Corporation (NTSDC) was designated as the community reuse organization (CRO) in June 1995 to partnership with DOE for community transition and commercialization efforts in the Nevada Test Site area. This nonprofit entity facilitates the development of sustainable private commercial activities that maximize the use of DOE resources and contributes to high-value job creation. NTSDC also adds long-term value to the regional economy by expanding non-governmental business opportunities.

As of September 30, 2003, a total of \$15,620,308 was committed to NTSDC, of which all has been spent. A total of 1,973 jobs was created or retained (Exhibit II.5.8.3).

FY 1995 through FY 2003						
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created
<b>Completed</b>						
Aerospace	\$494,139	\$0	\$494,139	\$494,139	0	\$0
Corporation for Solar Technologies and Renewable Resources	\$2,731,891	\$532,417	\$3,264,308	\$3,264,308	6	\$544,051
Project Implementation	\$5,159,797	\$100,000	\$5,259,797	\$5,259,797	1,808	\$2,909
Revolving Loan Program	\$496,588	\$0	\$496,588	\$496,588	26	\$19,100
Incubator Program	\$528,356	\$0	\$528,356	\$528,356	20	\$26,418
Hydrogen Enriched Vehicle Grant	\$250,000	\$0	\$250,000	\$250,000	6	\$41,667
IBT/NTS Training Center	\$1,236,000	\$0	\$1,236,000	\$1,236,000	84	\$14,714
Establish and Start-Up CRO*	\$520,000	\$0	\$520,000	\$520,000	0	\$0
<b>Active</b>						
Fluid Tech	\$300,000	\$0	\$300,000	\$300,000	13	\$23,077
WG Squared	\$1,383	\$0	\$1,383	\$1,383	3	\$461
Desert Sky Rock	\$193,796	\$0	\$193,796	\$193,796	0	\$0
Lincoln County RDC & Partnerships	\$337,818	\$0	\$337,818	\$337,818	1	\$337,818
Science & Technology RDC	\$444,950	\$0	\$444,950	\$444,950	0	\$0
NRG Technologies, Inc.	\$661,173	\$0	\$661,173	\$661,173	6	\$110,196
Esmeralda County	\$32,000	\$0	\$32,000	\$32,000	0	\$0
Administration*	\$1,600,000	\$0	\$1,600,000	\$1,600,000	0	\$0
<b>Totals</b>	<b>\$14,987,891</b>	<b>\$632,417</b>	<b>\$15,620,308</b>	<b>\$15,620,308</b>	<b>1,973</b>	<b>\$7,917</b>

Note 1: WT = DOE Office of Worker and Community Transition. Effective December 2003, WT was merged into newly established DOE Office of Legacy Management.

Note 2: Section 3161 refers to that section of the National Defense Authorization Act for Fiscal Year 1993.

Note 3: DOE = U.S. Department of Energy.

\* Funds used for administrative purposes. Job creation not intended.

### Exhibit II.5.8.3 Nevada Test Site Community Transition Funding and Job Creation by Project

The following is an update on selected activities:

- University of Nevada Las Vegas (UNLV) Research Foundation.** In early 2003, NTSDC affiliated with the UNLV Research Foundation. NTSDC will act as the catalyst in bringing the educational community, businesses, and DOE together to develop programs and projects that contribute to high-value jobs. These jobs will provide opportunities to the graduates of Nevada universities, thus providing an incentive to remain in the state. The Research Foundation has also acquired land for a state-of-the-art research park.
- Regional Development Corporations (RDC).** The RDCs in Lincoln and Nye Counties are now well-established and are progressing at a steady rate. Both Counties are in the process of constructing business/industrial parks, which are expected to build upon the

economy in both regions and ultimately lead to the creation of additional jobs. Esmeralda County is in the start-up phase, working toward organizing its RDC to establish new business in the area. Through land sales of abandoned properties and refurbishing historic sites, the RDC expects to attract both new residents and tourists to the area and contribute to economic growth.

## **II.5.9 Oak Ridge Complex**

### **II.5.9.1 Background**

The Oak Ridge complex is a large, multi-disciplinary enterprise that spans the technology development continuum from purely basic science to full-scale production deployment capability. Other program areas include environmental remediation, waste management, as well as assets utilization initiatives.

The complex (located in Tennessee) includes the East Tennessee Technology Park, the Oak Ridge Institute for Science and Education, the Department of Energy (DOE) Oak Ridge National Laboratory, and the Y-12 National Nuclear Security Administration Complex. These facilities provide a formidable resource for developing and deploying basic and applied research and production to assist U.S. industry, support national security goals, and restore areas environmentally impacted by decades of nuclear weapons activity. Over the years, the missions of the Oak Ridge facilities have changed to reflect the Nation's needs and global events.

Primary contractors at the complex include:

Bechtel Jacobs Company, LLC\* (East Tennessee Technology Park)

BWXT Y-12, LLC (Y-12 National Nuclear Security Administration Complex)

Oak Ridge Associated Universities (Oak Ridge Institute for Science and Education)

UT-Battelle, LLC (DOE Oak Ridge National Laboratory)

Wackenhut Services, Inc. - Oak Ridge (Oak Ridge complex-wide)

\* Also have workers at Paducah Gaseous Diffusion Plant (Kentucky) and Portsmouth Gaseous Diffusion Plant (Ohio) engaged in environmental remediation and waste management activities.

Note: The Thomas Jefferson National Accelerator Facility, a DOE national laboratory located in Virginia, is also under the auspices of DOE Oak Ridge Operations Office (DOE-ORO). The laboratory is managed and operated by the Southeastern Universities Research Association, Inc.

### **II.5.9.2 History of Work Force Restructuring**

Total separations from FY 1993 through FY 2002 numbered 5,893, with 69 percent being voluntary and 31 percent involuntary (Exhibit II.5.9.1). Note: Beginning with FY 2001, the table below reflects only reduction-in-force (RIF) separations (total separations - attrition). Also in FY 2002, an additional 539 separations occurred through attrition.



Fiscal Year	Voluntary	Involuntary	Total
1993/94	281	0	281
1995	799	46	845
1996	628	496	1,124
1997	956	631	1,587
1998	317	156	473
1999	252	150	402
2000	620	126	746
2001	211	123	334
2002	0	101	101
<b>Total</b>	<b>4,064</b>	<b>1,829</b>	<b>5,893</b>

### Exhibit II.5.9.1 Oak Ridge Complex Contractor Separations

#### II.5.9.3 Current Work Force Restructuring

In FY 2003, RIF separations numbered 67, with 12 being voluntary and 55 involuntary. An additional 385 separations occurred through attrition (Exhibit II.5.9.2).

Site: Oak Ridge Complex	FY 2003				
	Number of Workers	Enhanced Costs Funded by WT (Section 3161)	Program Costs Funded by Other DOE Programs	Total Costs	Total Cost/Recipient
1.0 Voluntary Separations (Lines 1.1 + 1.2 + 1.3)	397	\$0	\$13,482	\$13,482	\$34
1.1 Early Retirement	0	\$0	\$0	\$0	\$0
1.2 Non-Retirement Voluntary Separations (Costs = Severance)*	12	\$0	\$13,482	\$13,482	\$1,124
1.3 Attrition (Includes Normal Retirement)	385	n/a	n/a	n/a	n/a
2.0 Involuntary Separations (Lines 2.1 + 2.2) (Costs = Severance)	55	\$0	\$1,361,518	\$1,361,518	\$24,755
2.1 With Benefits (Lines 2.1.1 + 2.1.2)	53	\$0	\$1,361,518	\$1,361,518	\$25,689
2.1.1 Non-Construction Workers	53	\$0	\$1,361,518	\$1,361,518	\$25,689
2.1.2 Construction Workers	0	\$0	\$0	\$0	\$0
2.2 Without Benefits	2	n/a	n/a	n/a	n/a
3.0 Total Separations and Costs (Lines 1.0 + 2.0)	452	\$0	\$1,375,000	\$1,375,000	\$3,042
4.0 Other Affected Workers (Lines 4.1 + 4.2 + 4.3)	25	\$0	\$0	\$0	\$0
4.1 Workers Placed Internally Without Retraining (Same Site & Company)	16	n/a	n/a	n/a	n/a
4.2 Workers Placed Internally Through Retraining Programs (Same Site & Company)	0	\$0	\$0	\$0	\$0
4.3 Workers Transferred to Other DOE Sites (Same or Different Company)	9	n/a	n/a	n/a	n/a
5.0 Other Benefits Provided (Lines 5.1 + 5.2 + 5.3 + 5.4)	n/a	\$6,609	\$338,293	\$344,902	n/a
5.1 Displaced Worker Medical Benefits	69	\$0	\$174,088	\$174,088	\$2,523
5.2 Relocation Assistance to Other DOE Sites	0	\$0	\$0	\$0	\$0
5.3 Separating or Separated Workers Using Outplacement	366	\$0	\$164,205	\$164,205	\$449
5.4 Educational Assistance for Separated Workers	14	\$6,609	\$0	\$6,609	\$472
6.0 Total Costs for Fiscal Year 2003 (Lines 3.0 + 4.0 + 5.0)	n/a	\$6,609	\$1,713,293	\$1,719,902	n/a

Note 1: WT = DOE Office of Worker and Community Transition. Effective December 2003, WT was merged into newly established DOE Office of Legacy Management.

Note 2: Section 3161 refers to that section of the National Defense Authorization Act for Fiscal Year 1993.

Note 3: DOE = U.S. Department of Energy.

Note 4: Total Separations = Line 3.0. Reduction-in-Force Separations = Total Separations (Line 3.0) - Attrition (Line 1.3).

Note 5: n/a = not applicable.

\* 11 of the 12 workers were paid \$407,000 (program funds) in early FY 2004.

## Exhibit II.5.9.2 Oak Ridge Complex Work Force Restructuring Summary

### II.5.9.4 Work Force Restructuring Cost

The total work force restructuring cost incurred in FY 2003 at the Oak Ridge complex was \$1,719,902 (Exhibit II.5.9.2).

### II.5.9.5 Outplacement

A Career Center, operated by BWXT Y-12, LLC (BWXT Y-12), is available to those displaced workers at the Oak Ridge complex. Offerings at the Career Center include a variety of services such as resume preparation, correspondence assistance, computer access, job search training, one-on-one counseling, photocopy, fax, telephone services, workshops, reference library, and unadvertised job leads. The Career Center, through its website, also allows for resume postings, as well as providing special announcements, workshop schedules, and links to job search sites.

Companies have continued to use the Career Center successfully as an interview location for their open positions, and the DOE prime contractors use the Career Center's services to locate preference-in-hiring eligible employees.

The Career Center moved to a new location in FY 2003. The new location offers the same services, but provides easier building access due to the presence of a full-time receptionist.

### **II.5.9.6 Accomplishments and Lessons Learned**

The Adjustment Assistance Coordinating Council, a local stakeholders group hosted by DOE, meets quarterly to share information and concerns. This regular communication has resulted in cooperation among contractors and subcontractors in the Oak Ridge area and enabled questions and concerns about work force restructuring to be resolved more quickly.

A reduction-in-force (RIF) review committee comprising "management and operating" and "management and integrating" contractors review all RIF decisions and their justifications prior to approval by senior management.

The Bechtel Jacobs Company, LLC (BJC) continues to provide supervisor training, entitled "Layoff Notification Training." The training, conducted for supervisors responsible for giving RIF notices to their employees, helps to prevent many misunderstandings that may arise between BJC or supervisors and the affected employees.

BWXT Y-12 also uses supervisor training to ensure that managers are effectively trained in giving RIF notices to displaced employees. BWXT Y-12 and other Oak Ridge contractors also utilize the RIF review committee process to review decisions and justifications of all RIF actions prior to submittal to senior management.

The Oak Ridge Institute for Science and Education (ORISE) continued to use reduced work week schedules for some employees due to reduced requirements.

### **II.5.9.7 Future of the Site**

The DOE-ORO Contractor Reduction Impact Group Transfer Agreement was extended through FY 2003. Due to reduced mission requirements, the Human Resources Managers of BWXT Y-12, BJC, and UT-Battelle, LLC (UT-Battelle), with DOE-ORO concurrence, agreed to allow Reduction Impact Group Employees (salaried and bargaining-unit) to transfer among each other with continuity of service. Allowing this continuity of service credits in cases of involuntary RIF actions, will reduce relocation costs, hiring and training costs, avoid or defer severance costs associated with these reductions, as well as lessen the impact of these employment reductions on individuals and the community.

Effective October 1, 2003, DOE converted BJC's existing contract from a management and integrating contract to a cost plus incentive fee contract, which will accelerate environmental cleanup of the Oak Ridge Reservation. Due to the BJC accelerated cleanup plan commitments, there will be adjustments to the skills mix, which will result in approximately 150 separations.

The Y-12 National Nuclear Security Administration Complex mission will be integrating and manufacturing, engineering, and developing technologies essential to the National Security Program with an emphasis on safety and protecting the environment. A major portion of work will be modernization of the site. An emphasis will be placed on hiring and maintaining workers with critical skills. Capability for nuclear weapons component production and quality evaluations will be maintained, as well as that for dismantling and storing nuclear materials from retired

weapons systems. No major downsizing initiatives are expected during the year; however, small layoffs may occur as well as a limited amount of new hiring due to skills mix issues.

The Spallation Neutron Source (SNS) is an accelerator-based neutron source being built in Oak Ridge by DOE. The SNS will provide the most intense-pulsed neutron beams in the world for scientific research and industrial development. The SNS project involves a partnership among six DOE National Laboratories (Argonne, Brookhaven, Lawrence Berkeley, Los Alamos, Oak Ridge, and Thomas Jefferson) and is scheduled for completion in 2006.

The SNS project is on-schedule and continues to hire new critical skills and support employees needed to keep the project on target. The subcontracted construction effort will employ up to 400 construction workers including skilled crafts from the local area during peak activity continuing in FY 2003.

For FY 2004 planning purposes, UT-Battelle assumes that the DOE Oak Ridge National Laboratory replacement hiring activity will remain rather low and stable with continued hiring of strategic personnel, and the ramp up of personnel at the SNS.

ORISE is anticipating a need for a small number of reductions (projected up to 10) in FY 2004.

Wackenhut Services, Inc. - Oak Ridge is not anticipating any RIF actions in FY 2004.

#### **II.5.9.8 Community Transition**

The Community Reuse Organization of East Tennessee (CROET) was established in November 1995, replacing the East Tennessee Economic Council as the local community reuse organization (CRO). CROET is a nonprofit economic development organization that assists the private sector in creating quality jobs in the region by using the underutilized land, facilities, equipment, personnel, and technologies available at the Oak Ridge complex. As the CRO for the region, CROET is the community's primary voice to DOE for community transition issues. It continues to be involved in leasing agreements that encourage the reindustrialization of the East Tennessee Technology Park and fosters economic development in the affected communities through federal grants.

As of September 30, 2003, a total of \$58,001,500 was committed to the CRO and the management and operating contractor, of which \$57,516,097 was spent. A total of 7,862 jobs was created or retained (Exhibit II.5.9.3).

FY 1995 through FY 2003						
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created
<b>Completed</b>						
Training Projects	\$17,302,000	\$0	\$17,302,000	\$17,302,000	1,208	\$14,323
Land, Facilities, Research & Development Assistance	\$28,700,000	\$0	\$28,700,000	\$28,700,000	3,242	\$8,853
Planning/Program Management*	\$1,250,000	\$0	\$1,250,000	\$1,250,000	0	\$0
<b>Active</b>						
New Business Development - DOE Small Business Grant	\$2,000,000	\$0	\$2,000,000	\$2,000,000	462	\$4,329
East Tennessee 2002 - Reindustrialization	\$6,000,000	\$0	\$6,000,000	\$5,709,068	164	\$34,811
East Tennessee 2002 - Skills Campus	\$750,000	\$0	\$750,000	\$750,000	1,815	\$413
East Tennessee 2002 - National Transportation Research Center	\$1,200,000	\$0	\$1,200,000	\$1,005,529	45	\$22,345
East Tennessee 2002- Regional Economic Diversification	\$799,500	\$0	\$799,500	\$799,500	926	\$863
<b>Totals</b>	<b>\$58,001,500</b>	<b>\$0</b>	<b>\$58,001,500</b>	<b>\$57,516,097</b>	<b>7,862</b>	<b>\$7,316</b>

Note 1: WT = DOE Office of Worker and Community Transition. Effective December 2003, WT was merged into newly established DOE Office of Legacy Management.  
Note 2: Section 3161 refers to that section of the National Defense Authorization Act for Fiscal Year 1993.  
Note 3: DOE = U.S. Department of Energy.

\* Funds used for administrative purposes. Job creation not intended.

### Exhibit II.5.9.3 Oak Ridge Complex Community Transition Funding and Job Creation by Project

The following is an update on selected activities:

- Horizon Center Industrial Park.** The initial construction phase of the Horizon Center Industrial Park is complete. CROET is partnering with other local and regional economic development entities to leverage limited marketing resources. The Theragenics Corporation facility, the first tenant to locate at Horizon Center, is also complete with process certification received. This \$30 million, 100,000-square-foot facility is expected to house 240 employees contributing their knowledge and expertise toward the production of a medical isotope that uses a patented process to diagnose and treat cancer.
- Manufacturing Skills Campus (Campus).** The Campus offers specialized, advanced craft skills training in the areas of precision machining, industrial maintenance, machine tool maintenance, and metrology. Instructors are skilled craft workers with an average of over 20 years of precision manufacturing experience. As part of its mission to retrain workers to maintain national security core competencies, the Campus trains the Y-12 work force on new technologies to assure Y-12 becomes a flexible, science-based manufacturing facility capable of making the variety of materials and components needed for national security. To date, the Campus has trained 1,815 students.

- **National Transportation Research Center (NTRC).** The new NTRC 85,000-square-foot facility was completed in October 2000 to house 165 Oak Ridge National Laboratory (ORNL) and University of Tennessee (UT) staff, along with support contractors from the area. The total number of staff is now over 180. CROET funds are being used to complete and equip 12 research laboratories to serve as unique user facilities for industry, universities, and for ORNL and UT staff.
- **Regional Economic Diversification and Work Force Development Grants.** Funds were granted to equip a Computer Science Technology classroom to provide training for comprehensive workplace skills. Funds were provided to develop new industrial parks and to develop and implement plans to attract commerce and industry to the region.

## **II.5.10 Ohio Field Office**

### **II.5.10.1 Background**

The Department of Energy (DOE) Ohio Field Office is responsible for environmental restoration, waste management, and other DOE mission activities at five sites--four in Ohio and one in New York. Of these sites, only Fernald and Mound (each located in Ohio) are designated as defense nuclear facilities.

Fernald (Fernald Closure Project) is a former uranium-processing facility, which supported the Nation's defense program and is now undergoing environmental remediation. This effort is being managed by Fluor Fernald.

Mound (Mound Closure Project) is a facility where nuclear research, design, development, manufacturing and testing of nuclear weapons and spacecraft components were done. Mound is also undergoing environmental remediation. This effort is being managed by CH2M HILL Mound, Inc. (CH2M HILL).

### **II.5.10.2 History of Work Force Restructuring**

#### **Fernald**

Total separations from FY 1993 through FY 2002 numbered 1,532, with 77 percent being voluntary and 23 percent involuntary (Exhibit II.5.10.1). Note: Beginning with FY 2001, the table below reflects only reduction-in-force (RIF) separations (total separations - attrition). Also in FY 2002, an additional 25 separations occurred through attrition.

Fiscal Year	Voluntary	Involuntary	Total
1993/94	62	192	254
1995	397	0	397
1996	356	0	356
1997	0	0	0
1998	12	0	12
1999	70	0	70
2000	153	0	153
2001	48	0	48
2002	84	158	242
Total	1,182	350	1,532

#### Exhibit II.5.10.1 Fernald Contractor Separations

##### Mound

Total separations from FY 1993 through FY 2002 numbered 1,201, with 72 percent being voluntary and 28 percent involuntary (Exhibit II.5.10.2). Note: Beginning with FY 2001, the table below reflects only RIF separations. Also in FY 2002, 36 separations occurred through attrition.



Fiscal Year	Voluntary	Involuntary	Total
1993/94	409	7	416
1995	173	34	207
1996	185	19	204
1997	28	156	184
1998	31	1	32
1999	2	0	2
2000	0	0	0
2001	37	119	156
2002	0	0	0
Total	865	336	1,201

### Exhibit II.5.10.2 Mound Contractor Separations

#### II.5.10.3 Current Work Force Restructuring

##### Fernald

In FY 2003, RIF separations numbered 186, with 45 being voluntary and 141 involuntary. An additional 57 separations occurred through attrition (Exhibit II.5.10.3).

Site: Fernald		FY 2003				
		Number of Workers	Enhanced Costs Funded by WT (Section 3161)	Program Costs Funded by Other DOE Programs	Total Costs	Total Cost/Recipient
1.0	Voluntary Separations (Lines 1.1 + 1.2 + 1.3)	102	\$0	\$832,972	\$832,972	\$8,166
1.1	Early Retirement	0	\$0	\$0	\$0	\$0
1.2	Non-Retirement Voluntary Separations (Costs = Severance)	45	\$0	\$832,972	\$832,972	\$18,510
1.3	Attrition (Includes Normal Retirement)	57	n/a	n/a	n/a	n/a
2.0	Involuntary Separations (Lines 2.1 + 2.2) (Costs = Severance)	141	\$0	\$713,044	\$713,044	\$5,057
2.1	With Benefits (Lines 2.1.1 + 2.1.2)	141	\$0	\$713,044	\$713,044	\$5,057
2.1.1	Non-Construction Workers	141	\$0	\$713,044	\$713,044	\$5,057
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits	0	n/a	n/a	n/a	n/a
3.0	Total Separations and Costs (Lines 1.0 + 2.0)	243	\$0	\$1,546,016	\$1,546,016	\$6,362
4.0	Other Affected Workers (Lines 4.1 + 4.2 + 4.3)	2	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining (Same Site & Company)	1	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs (Same Site & Company)	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other DOE Sites (Same or Different Company)	1	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided (Lines 5.1 + 5.2 + 5.3 + 5.4)	n/a	\$61,252	\$737,265	\$798,517	n/a
5.1	Displaced Worker Medical Benefits	167	\$0	\$621,791	\$621,791	\$3,723
5.2	Relocation Assistance to Other DOE Sites	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	67	\$40,133	\$115,474	\$155,607	\$2,322
5.4	Educational Assistance for Separated Workers	6	\$21,119	\$0	\$21,119	\$3,520
6.0	Total Costs for Fiscal Year 2003 (Lines 3.0 + 4.0 + 5.0)	n/a	\$61,252	\$2,283,281	\$2,344,533	n/a

Note 1: WT = DOE Office of Worker and Community Transition. Effective December 2003, WT was merged into newly established DOE Office of Legacy Management.

Note 2: Section 3161 refers to that section of the National Defense Authorization Act for Fiscal Year 1993.

Note 3: DOE = U.S. Department of Energy.

Note 4: Total Separations = Line 3.0. Reduction-in-Force Separations = Total Separations (Line 3.0) - Attrition (Line 1.3).

Note 5: n/a = not applicable.

### Exhibit II.5.10.3 Fernald Work Force Restructuring Summary

#### Mound

In FY 2003, RIF separations numbered 84, with all being involuntary. An additional 60 separations occurred through attrition (Exhibit II.5.10.4).

Site: Mound	FY 2003				
	Number of Workers	Enhanced Costs Funded by WT (Section 3161)	Program Costs Funded by Other DOE Programs	Total Costs	Total Cost/Recipient
1.0 Voluntary Separations (Lines 1.1 + 1.2 + 1.3)	60	\$0	\$0	\$0	\$0
1.1 Early Retirement	0	\$0	\$0	\$0	\$0
1.2 Non-Retirement Voluntary Separations (Costs = Severance)	0	\$0	\$0	\$0	\$0
1.3 Attrition (Includes Normal Retirement)*	60	n/a	n/a	n/a	n/a
2.0 Involuntary Separations (Lines 2.1 + 2.2) (Costs = Severance)	84	\$0	\$1,195,856	\$1,195,856	\$14,236
2.1 With Benefits (Lines 2.1.1 + 2.1.2)	72	\$0	\$1,195,856	\$1,195,856	\$16,609
2.1.1 Non-Construction Workers	72	\$0	\$1,195,856	\$1,195,856	\$16,609
2.1.2 Construction Workers	0	\$0	\$0	\$0	\$0
2.2 Without Benefits	12	n/a	n/a	n/a	n/a
3.0 Total Separations and Costs (Lines 1.0 + 2.0)	144	\$0	\$1,195,856	\$1,195,856	\$8,305
4.0 Other Affected Workers (Lines 4.1 + 4.2 + 4.3)	0	\$0	\$0	\$0	\$0
4.1 Workers Placed Internally Without Retraining (Same Site & Company)	0	n/a	n/a	n/a	n/a
4.2 Workers Placed Internally Through Retraining Programs (Same Site & Company)	0	\$0	\$0	\$0	\$0
4.3 Workers Transferred to Other DOE Sites (Same or Different Company)	0	n/a	n/a	n/a	n/a
5.0 Other Benefits Provided (Lines 5.1 + 5.2 + 5.3 + 5.4)	n/a	\$53,837	\$58,864	\$112,701	n/a
5.1 Displaced Worker Medical Benefits	18	\$0	\$31,529	\$31,529	\$1,752
5.2 Relocation Assistance to Other DOE Sites	0	\$0	\$0	\$0	\$0
5.3 Separating or Separated Workers Using Outplacement	165	\$50,318	\$27,335	\$77,651	\$471
5.4 Educational Assistance for Separated Workers	3	\$3,521	\$0	\$3,521	\$1,174
6.0 Total Costs for Fiscal Year 2003 (Lines 3.0 + 4.0 + 5.0)	n/a	\$53,837	\$1,254,720	\$1,308,557	n/a

Note 1: WT = DOE Office of Worker and Community Transition. Effective December 2003, WT was merged into newly established DOE Office of Legacy Management.  
 Note 2: Section 3161 refers to that section of the National Defense Authorization Act for Fiscal Year 1993.  
 Note 3: DOE = U.S. Department of Energy.  
 Note 4: Total Separations = Line 3.0. Reduction-in-Force Separations = Total Separations (Line 3.0) - Attrition (Line 1.3).  
 Note 5: n/a = not applicable.  
 \* Includes 22 workers who received severance. Costs associated with attrition are not tracked via this spreadsheet.

## Exhibit II.5.10.4 Mound Work Force Restructuring Summary

### II.5.10.4 Work Force Restructuring Cost

#### Fernald

The total work force restructuring cost incurred in FY 2003 was \$2,344,533 (Exhibit 5.10.3).

#### Mound

The total work force restructuring cost incurred in FY 2003 was \$1,308,557 (Exhibit 5.10.4).

#### **II.5.10.5 Outplacement**

##### **Fernald**

Fernald contracted Lee Hecht Harrison (LHH), a career management-consulting firm, to provide career transition services to employees affected by the voluntary and involuntary separation programs. LHH provided individual career transition counseling and job lead development with experienced professional job transition consultants. Sixty-seven separated employees used the LHH services in FY 2003.

##### **Mound**

CH2M HILL assumed the Mound contract on January 1, 2003, and immediately opened the CH2M HILL Mound Career Transition Center (CTC) to aid those employees not hired as part of the contract transition process. Prior to CH2M HILL, the only outplacement services available were through the State of Ohio which proved to be inadequate. In April 2003, CH2M HILL expanded the CTC services to all active employees. CH2M HILL utilizes QuickHire for professional outplacement services as part of the DOE contract. The CTC continues to provide assistance in resume preparation, interviewing skills, networking skills, negotiating job offers, job searching skills, and developing leads.

#### **II.5.10.6 Accomplishments and Lessons Learned**

##### **Fernald**

Fernald contracted with William M. Mercer, Inc., to develop a process for conducting voluntary and involuntary separation programs. Continuous updates and training are provided on the involuntary process. In FY 2003, Fernald conducted two cycles of voluntary and involuntary separations.

##### **Mound**

State outplacement services are inadequate for the type of skills available at the Mound site. All employees will be completing a Personal Exit Plan as part of their planning for post-closure. CH2M HILL plans to provide all employees at least 90 days advance notice of their separation. All employees are encouraged to use the CTC and are allowed up to 2 hours per week for this purpose.

#### **II.5.10.7 Future of the Sites**

Fernald and Mound are still targeted for closure in 2006.

## II.5.10.8 Community Transition

### Fernald

The Fernald Community Reuse Organization was established in FY 1997 as the local community reuse organization (CRO) when initial planning activities began for the development of a community economic development program. The CRO's main economic development thrust has been the planning and development of business incubation. Although the CRO was placed on an inactive status in FY 2001, the CRO applied for, and received, its remaining committed funding to continue the incubator project in FY 2003.

As of September 30, 2003, a total of \$736,921 was committed to the CRO, of which all has been spent (Exhibit II.5.10.5).

FY 1997 through FY 2003						
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created
Start Up/Planning Grant*	\$736,921	\$0	\$736,921	\$736,921	0	\$0
Totals	\$736,921	\$0	\$736,921	\$736,921	0	\$0

Note 1: WT = DOE Office of Worker and Community Transition. Effective December 2003, WT was merged into newly established DOE Office of Legacy Management.  
 Note 2: Section 3161 refers to that section of the National Defense Authorization Act for Fiscal Year 1993.  
 Note 3: DOE = U.S. Department of Energy.

\* Funds used for administrative purposes. Job creation not intended.

### Exhibit II.5.10.5 Fernald Community Transition Funding and Job Creation by Project

The following is an update on selected activities:

- In June 2003, the Fernald CRO awarded approximately \$200,000 to the Butler County Ohio Biztech Center, a business incubator located in Hamilton, Ohio.
- The Ohio Biztech Center received \$200,000 from the City of Hamilton Department of Economic Development and the Certified Development Company of Butler County to cover project start-up and operational costs in addition to funds received from the CRO.
- As a result of funding provided under section 3161 of the National Defense Authorization Act for Fiscal Year 1993, employees separated from the Fernald Closure Project and those facing future layoffs will receive priority placement/assistance from the Ohio Biztech Center.

## **Mound**

The eventual closure of the Mound facility initiated new roles and responsibilities for DOE and led to the establishment of the Miamisburg Mound Community Improvement Corporation (MMCIC). The MMCIC is a not-for-profit corporation established by the City of Miamisburg in FY 1997 to redevelop and reuse the Mound site as well as transfer its assets for reuse. The MMCIC was chartered with the vision of establishing the site as an economically-viable, privately-owned technology and industry center called the Mound Advanced Technology Center (MATC) by 2005. In response to the challenges presented by the commercialization of the Mound facility, the MMCIC developed the Miamisburg Mound Comprehensive Reuse Plan. This plan, as updated in FY 2003, details a long-range development plan and implementation strategy for the Mound transition. A technology and industrial park strategy is considered the highest and best use of the site primarily because it works within the limitations created by environmental constraints, market, financial, and political realities, as well as local economic development goals.

MMCIC is now focusing on the commercialization of the Mound site. The mission of the partnership between DOE and the local community (represented by MMCIC) is to identify and assemble the resources and capabilities needed to address the impacts resulting from Mound's closure. The shared goal is to complete cleanup in a timely manner and help MMCIC to achieve the successful reuse of Mound.

As of September 30, 2003, a total of \$25,739,433 was committed to MMCIC, of which \$15,969,667 was spent. A total of 578 jobs was created or retained (Exhibit II.5.10.6).

FY 1994 through FY 2003						
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created
Building Improvements and Construction*	\$7,948,000	\$0	\$7,948,000	\$2,970,419	0	\$0
Infrastructure Improvements and Construction*	\$4,935,000	\$0	\$4,935,000	\$1,476,309	0	\$0
Site Ownership*	\$1,729,000	\$0	\$1,729,000	\$1,623,925	0	\$0
Facility Management and Leasing	\$6,338,000	\$0	\$6,338,000	\$5,954,064	578	\$10,301
Personal Property Management*	\$570,000	\$0	\$570,000	\$535,560	0	\$0
Comprehensive Reuse Plan Update*	\$300,000	\$0	\$300,000	\$0	0	\$0
Marketing and Public Interface*	\$1,624,433	\$0	\$1,624,433	\$1,253,557	0	\$0
Administration*	\$2,295,000	\$0	\$2,295,000	\$2,155,832	0	\$0
<b>Totals</b>	<b>\$25,739,433</b>	<b>\$0</b>	<b>\$25,739,433</b>	<b>\$15,969,666</b>	<b>578</b>	<b>\$27,629</b>

Note 1: WT = DOE Office of Worker and Community Transition. Effective December 2003, WT was merged into newly established DOE Office of Legacy Management.

Note 2: Section 3161 refers to that section of the National Defense Authorization Act for Fiscal Year 1993.

Note 3: DOE = U.S. Department of Energy.

\* Funds used for administrative purposes. Job creation not intended.

### Exhibit II.5.10.6 Mound Community Transition Funding and Job Creation by Project

The following is an update on selected activities:

- **Smart Park.** The construction of the first new building has begun in the Smart Park. The 24,000-square-foot building will be built as a flexible space, suitable for office, warehouse, research, or light industrial use. The next phase of the Smart Park development has received approved funding from the U.S. Department of Labor, Economic Development Administration.
- **Site Utilities.** The site utilities are currently being decentralized from the DOE system onto public utility systems. This will allow each building to be stand-alone for utilities.
- **Comprehensive Reuse Plan Update.** The MMCIC Board of Directors, the City of Miamisburg Planning Commission, and the Mound Reuse Committee approved the Comprehensive Reuse Plan Update in FY 2003. Implementation of the new update has begun.
- **Marketing Plan.** The development of a Marketing Plan for MATC has begun.

## **II.5.11 Paducah and Portsmouth Gaseous Diffusion Plants**

### **II.5.11.1 Background**

The Paducah Gaseous Diffusion Plant (Paducah) began production of enriched uranium in 1952. Its mission of uranium enrichment has remained unchanged, and the original facilities are still in operation, albeit substantially upgraded and refurbished. Paducah is located in Kentucky.

The Portsmouth Gaseous Diffusion Plant (Portsmouth), built in the 1950s, was needed to provide uranium-235 at rates substantially above those of the existing production facilities at Oak Ridge, Tennessee, and Paducah, Kentucky. Portsmouth was chosen in the late 1970s as the site for a new enrichment facility using gas centrifuge technology. Construction, however, was halted in 1985 because the demand for enriched uranium decreased, and laser technology promised a more efficient and economical supply of enriched uranium for the future. Uranium enrichment activities ceased in May 2001. Portsmouth is located in Ohio.

The Energy Policy Act of 1992 mandated that the management of the uranium enrichment enterprise at Paducah and Portsmouth be assumed by the United States Enrichment Corporation, Inc. (USEC). As a result, the Department of Energy (DOE) and USEC entered into a 6-year lease, effective July 1, 1993. USEC has the unilateral right under the lease to extend the original lease term for an unlimited amount of time. Their latest extension carries them through June 30, 2010.

USEC, the sole producer of enriched uranium in the United States, became a private corporation on July 28, 1998. USEC is the world's leading supplier of enriched uranium fuel for commercial nuclear power plants.

### **II.5.11.2 History of Work Force Restructuring**

#### **Paducah (USEC)**

Total separations from FY 1997 through FY 2002 numbered 264, with 84 percent being voluntary and 16 percent involuntary (Exhibit II.5.11.1). Note: Beginning with FY 2001, the table below reflects only reduction-in-force (RIF) separations (total separations - attrition).



Fiscal Year	Voluntary	Involuntary	Total
1997	7	7	14
1998	4	0	4
1999	77	0	77
2000	104	23	127
2001	23	2	25
2002	7	10	17
Total	222	42	264

#### Exhibit II.5.11.1 Paducah Contractor Separations

##### Portsmouth (USEC)

Total separations from FY 1995 through FY 2002 numbered 1,160, with 81 percent being voluntary and 19 percent involuntary (Exhibit II.5.11.2). Note: Beginning with FY 2001, the table below reflects only RIF separations.

Fiscal Year	Voluntary	Involuntary	Total
1995	49	0	49
1996	40	0	40
1997	37	67	104
1998	53	0	53
1999	130	0	130
2000	206	103	309
2001	293	42	335
2002	131	9	140
Total	939	221	1,160

#### Exhibit II.5.11.2 Portsmouth Contractor Separations

## II.5.11.3 Current Work Force Restructuring

## Paducah (USEC)

In FY 2003, RIF separations numbered 225, with 195 being voluntary and 30 involuntary. An additional 21 separations occurred through attrition (Exhibit II.5.11.3).

Site: Paducah (USEC)		FY 2003				
		Number of Workers	Enhanced Costs Funded by WT (Section 3161)	Program Costs Funded by Other DOE Programs	Total Costs	Total Cost/Recipient
1.0	Voluntary Separations (Lines 1.1 + 1.2 + 1.3)	216	\$3,251,425	\$0	\$3,251,425	\$15,053
1.1	Early Retirement	173	\$3,031,425	\$0	\$3,031,425	\$17,523
1.2	Non-Retirement Voluntary Separations (Costs = Severance)	22	\$220,000	\$0	\$220,000	\$10,000
1.3	Attrition (Includes Normal Retirement)	21	n/a	n/a	n/a	n/a
2.0	Involuntary Separations (Lines 2.1 + 2.2) (Costs = Severance)	30	\$300,000	\$0	\$300,000	\$10,000
2.1	With Benefits (Lines 2.1.1 + 2.1.2)	30	\$300,000	\$0	\$300,000	\$10,000
2.1.1	Non-Construction Workers	30	\$300,000	\$0	\$300,000	\$10,000
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits	0	n/a	n/a	n/a	n/a
3.0	Total Separations and Costs (Lines 1.0 + 2.0)	246	\$3,551,425	\$0	\$3,551,425	\$14,437
4.0	Other Affected Workers (Lines 4.1 + 4.2 + 4.3)	3	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining (Same Site & Company)	0	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs (Same Site & Company)	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other DOE Sites (Same or Different Company)	3	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided (Lines 5.1 + 5.2 + 5.3 + 5.4)	n/a	\$29,184	\$0	\$29,184	n/a
5.1	Displaced Worker Medical Benefits	7	\$17,258	\$0	\$17,258	\$2,465
5.2	Relocation Assistance to Other DOE Sites	2	\$7,527	\$0	\$7,527	\$3,764
5.3	Separating or Separated Workers Using Outplacement	0	\$0	\$0	\$0	\$0
5.4	Educational Assistance for Separated Workers	2	\$4,399	\$0	\$4,399	\$2,200
6.0	Total Costs for Fiscal Year 2003 (Lines 3.0 + 4.0 + 5.0)	n/a	\$3,580,609	\$0	\$3,580,609	n/a

Note 1: WT = DOE Office of Worker and Community Transition. Effective December 2003, WT was merged into newly established DOE Office of Legacy Management.  
 Note 2: Section 3161 refers to that section of the National Defense Authorization Act for Fiscal Year 1993.  
 Note 3: DOE = U.S. Department of Energy.  
 Note 4: Total Separations = Line 3.0. Reduction-in-Force Separations = Total Separations (Line 3.0) - Attrition (Line 1.3).  
 Note 5: n/a = not applicable.

## Exhibit II.5.11.3 Paducah (USEC) Work Force Restructuring Summary

## Portsmouth (USEC)

In FY 2003, RIF separations numbered 109, with all being involuntary (Exhibit II.5.11.4).

Site: Portsmouth (USEC)		FY 2003				
		Number of Workers	Enhanced Costs Funded by WT (Section 3161)	Program Costs Funded by Other DOE Programs	Total Costs	Total Cost/Recipient
1.0	Voluntary Separations (Lines 1.1 + 1.2 + 1.3)	0	\$0	\$0	\$0	\$0
1.1	Early Retirement	0	\$0	\$0	\$0	\$0
1.2	Non-Retirement Voluntary Separations (Costs = Severance)	0	\$0	\$0	\$0	\$0
1.3	Attrition (Includes Normal Retirement)	0	n/a	n/a	n/a	n/a
2.0	Involuntary Separations (Lines 2.1 + 2.2) (Costs = Severance)	109	\$1,104,295	\$1,071,127	\$2,175,422	\$19,958
2.1	With Benefits (Lines 2.1.1 + 2.1.2)	109	\$1,104,295	\$1,071,127	\$2,175,422	\$19,958
2.1.1	Non-Construction Workers	109	\$1,104,295	\$1,071,127	\$2,175,422	\$19,958
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits	0	n/a	n/a	n/a	n/a
3.0	Total Separations and Costs (Lines 1.0 + 2.0)	109	\$1,104,295	\$1,071,127	\$2,175,422	\$19,958
4.0	Other Affected Workers (Lines 4.1 + 4.2 + 4.3)	0	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining (Same Site & Company)	0	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs (Same Site & Company)	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other DOE Sites (Same or Different Company)	0	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided (Lines 5.1 + 5.2 + 5.3 + 5.4)	n/a	\$1,092,870	\$0	\$1,092,870	n/a
5.1	Displaced Worker Medical Benefits	121	\$678,115	\$0	\$678,115	\$5,588
5.2	Relocation Assistance to Other DOE Sites	14	\$27,464	\$0	\$27,464	\$1,962
5.3	Separating or Separated Workers Using Outplacement	161	\$171,760	\$0	\$171,760	\$1,087
5.4	Educational Assistance for Separated Workers	89	\$217,531	\$0	\$217,531	\$2,444
6.0	Total Costs for Fiscal Year 2003 (Lines 3.0 + 4.0 + 5.0)	n/a	\$2,197,165	\$1,071,127	\$3,268,292	n/a

Note 1: WT = DOE Office of Worker and Community Transition. Effective December 2003, WT was merged into newly established DOE Office of Legacy Management.  
Note 2: Section 3161 refers to that section of the National Defense Authorization Act for Fiscal Year 1993.  
Note 3: DOE = U.S. Department of Energy.  
Note 4: Total Separations = Line 3.0. Reduction-in-Force Separations = Total Separations (Line 3.0) - Attrition (Line 1.3).  
Note 5: n/a = not applicable.

### Exhibit II.5.11.4 Portsmouth (USEC) Work Force Restructuring Summary

#### II.5.11.4 Work Force Restructuring Cost

##### Paducah (USEC)

The total work force restructuring cost incurred in FY 2003 was \$3,580,609 (Exhibit II.5.11.3).

##### Portsmouth (USEC)

The total work force restructuring cost incurred in FY 2003 was \$3,268,292 (Exhibit II.5.11.4).

#### **II.5.11.5 Outplacement**

Career Resource Centers (Center) are located at both Paducah and Portsmouth. The Centers are available to assist displaced workers in developing career plans, executing job searches, and looking for retraining and employment opportunities. They also provide aptitude and skills assessments; job analysis (present and future); information on job demand and supply; wage information; and access to school, training, and unemployment information. Other services include assistance in preparing resumes and cover letters, filling out requests for training records and transcripts, and reproducing and transmitting materials. A library of resource materials is located at each Center.

#### **II.5.11.6 Accomplishments and Lessons Learned**

The relocation and consolidation of the uranium enrichment transfer and shipping operations from Portsmouth to Paducah will result in estimated annual cost savings of about \$40 million beginning in fiscal year 2003. The cost savings will result from appropriate work force restructuring actions at Portsmouth and lower overhead, utilities and materials costs.

USEC announced in December 2002, that the Advanced Centrifuge Lead Cascade Technology would be deployed at Portsmouth. This activity is expected to employ about 200 workers during the construction phase and 50 workers to operate the advanced centrifuge lead cascade.

#### **II.5.11.7 Future of the Sites**

DOE awarded a contract to Uranium Disposition Services on August 29, 2002, to design, construct, and operate conversion facilities on DOE property at Paducah, Kentucky and Portsmouth, Ohio. These facilities will convert DOE's inventory of depleted uranium hexafluoride to a more stable form acceptable for transportation or reuse. Groundbreaking is to begin in July 2004, bringing in several hundred construction jobs and over 150 workers for operations at each site.

#### **II.5.11.8 Community Transition**

##### **Paducah**

The Paducah-Area Community Reuse Organization (PACRO) was established in August 1997 to mitigate the effects of DOE work force restructuring at the Paducah Gaseous Diffusion Plant in Paducah, Kentucky. The PACRO impact area was designed to represent the counties where the majority of the Paducah work force live: McCracken, Ballard, Graves, and Marshall Counties in western Kentucky, and Massac County in southern Illinois. PACRO is governed by an Executive Committee representing such areas as business, labor, education, and economic development from impacted counties.

As of September 30, 2003, a total of \$9,800,000 was committed to PACRO, of which \$8,866,366 was spent. A total of 1,194 jobs was created or retained (Exhibit II.5.11.5).

FY 1997 through FY 2003						
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created
FY 1998 Planning Grant*	\$400,000	\$0	\$400,000	\$400,000	0	\$0
Entrepreneurial Development	\$863,984	\$0	\$863,984	\$863,984	45	\$19,200
Facility Reuse	\$214,992	\$0	\$214,992	\$214,992	10	\$21,499
Industrial Parks, Sites & Spec Buildings						
Regional Park	\$1,466,175	\$0	\$1,466,175	\$606,175	0	\$0
Sites	\$2,872,482	\$0	\$2,872,482	\$2,872,482	338	\$8,498
Spec Buildings	\$2,460,000	\$0	\$2,460,000	\$2,460,000	140	\$17,571
Regional Marketing	\$165,000	\$0	\$165,000	\$137,532	0	\$0
Work Force Reuse	\$286,685	\$0	\$286,685	\$266,658	335	\$796
Existing Business and Industry	\$161,899	\$0	\$161,899	\$161,899	326	\$497
Administration*	\$908,783	\$0	\$908,783	\$882,644	0	\$0
Totals	\$9,800,000	\$0	\$9,800,000	\$8,866,366	1,194	\$7,426

Note 1: WT = DOE Office of Worker and Community Transition. Effective December 2003, WT was merged into newly established DOE Office of Legacy Management.

Note 2: Section 3161 refers to that section of the National Defense Authorization Act for Fiscal Year 1993.

Note 3: DOE = U.S. Department of Energy.

\* Funds used for administrative purposes. Job creation not intended.

### Exhibit II.5.11.5 Paducah Community Transition Funding and Job Creation by Project

The following is an update on selected activities:

- **Work Force Reuse Program.** PACRO and the PACE Union Local developed a Skills Assessment Database that has helped to employ 335 workers who lost their plant jobs. These jobs were created at equal pay and benefits by encouraging cleanup activities and private-sector spinoffs at the site.
- **Entrepreneurial Program.** PACRO established a revolving low-interest loan fund of \$863,984. Five business loans, totaling \$340,775, were approved for United States Enrichment Corporation employees who lost their jobs. These five start-up businesses have initially created/retained 45 jobs.
- **Facility Reuse Program.** PACRO is working with DOE and on-site contractors to reuse material as it becomes available from the plant. Since the Paducah site is still active, this has been a slow process. PACRO saved DOE \$2.5 million in cleanup costs and created/retained 10 jobs by working with a private contractor to remove 75 fluorine cells and associated on-site equipment.
- **Industrial Parks, Sites and Speculative Buildings.** PACRO granted \$2,872,482 to the counties in the impact area to create five county industrial parks capable of supporting small to medium-sized industries. As part of this project, PACRO created a revolving loan fund of \$2,460,000 for use by each county to build a speculative building in its industrial park. PACRO has also granted \$1,466,175 to create a Regional Industrial Park to mitigate the possible downsizing of the Paducah plant. These three initiatives have created/retained 478 jobs.

## Portsmouth

The Southern Ohio Diversification Initiative (SODI) was incorporated in July 1997 to serve as the community reuse organization (CRO) for the DOE Portsmouth site in Piketon, Ohio. Prior to incorporation, a \$500,000 planning grant was awarded to the Ohio Valley Regional Development Commission (OVRDC) for community transition activities. SODI operated under the auspices of OVRDC from February 1996 until DOE implementation funds were awarded in 1998.

As of September 30, 2003, a total of \$14,544,000 was committed to SODI, of which \$10,563,041 was spent. A total of 1,097 jobs was created or retained (Exhibit II.5.11.6).

Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created
<b>Completed</b>						
Infrastructure Projects	\$975,000	\$0	\$975,000	\$975,000	55	\$17,727
Planning Studies	\$1,930,000	\$0	\$1,930,000	\$1,930,000	60	\$32,167
<b>Active</b>						
Zahn's Corner	\$2,835,000	\$0	\$2,835,000	\$2,422,559	550	\$4,405
New Boston Industrial Park	\$2,550,000	\$0	\$2,550,000	\$2,120,400	150	\$14,136
Worker Training Facility/Program	\$500,000	\$0	\$500,000	\$96,009	0	\$0
Gateway Industrial Park	\$1,150,000	\$0	\$1,150,000	\$1,000,000	90	\$11,111
Reindustrialization	\$250,000	\$0	\$250,000	\$106,309	90	\$1,181
Enterprise Training and Development	\$1,200,000	\$0	\$1,200,000	\$770,000	101	\$7,624
Incubator Facility	\$385,000	\$0	\$385,000	\$73,866	1	\$73,866
Business Seed Fund	\$350,000	\$0	\$350,000	\$162,500	0	\$0
Regional Marketing*	\$350,000	\$0	\$350,000	\$40,000	0	\$0
Intermodal Facility	\$300,000	\$0	\$300,000	\$25,444	0	\$0
Environmental Management Training	\$100,000	\$0	\$100,000	\$0	0	\$0
Administration*	\$1,669,000	\$0	\$1,669,000	\$840,954	0	\$0
<b>Totals</b>	<b>\$14,544,000</b>	<b>\$0</b>	<b>\$14,544,000</b>	<b>\$10,563,041</b>	<b>1,097</b>	<b>\$9,629</b>

Note 1: WT = DOE Office of Worker and Community Transition. Effective December 2003, WT was merged into newly established DOE Office of Legacy Management.  
Note 2: Section 3161 refers to that section of the National Defense Authorization Act for Fiscal Year 1993.  
Note 3: DOE = U.S. Department of Energy.

\* Funds used for administrative purposes. Job creation not intended.

### Exhibit II.5.11.6 Portsmouth Community Transition Funding and Job Creation by Project

The following is an update on selected activities:

- Gaseous Diffusion Plant Reuse.** SODI has worked collaboratively with the State of Ohio's Department of Development over the last several years to maintain the viability of the DOE Portsmouth Plant as an industrial site. SODI has been a very active partner with the State of Ohio to prioritize and attract projects for the area, including participation on the Ohio Team assembled to attract USEC's Advanced Centrifuge Lead Cascade Technology to Piketon. As a result of those efforts, USEC announced in FY 2003 that it would build this facility at the Piketon site.
- Zahn's Corner Industrial Park.** In FY 2003, all infrastructure work was completed at the park, which included water and sewer lines, and an elevated water storage tank. SODI began design work for a building campaign to construct three speculative buildings at the park.
- Worker Training.** SODI focused on enhancing the skills of the regional work force by offering an Early Education Assistance program to workers at risk of becoming laid off at the DOE Portsmouth site. The program funded over 1,300 individual courses and served 366 at-risk employees. Financial partners for the program were Ohio Department of Development and USEC.

- **Incubator Learning Center.** To cultivate new business start-ups, small business expansions, and work force enrichment, SODI and Ohio State University (OSU) are jointly constructing a 28,000-square-foot business incubator-learning center using a \$1.92 million grant from the U.S Department of Labor, Economic Development Administration. Design work for Endeavor Center was completed in FY 2003. Construction will begin in 2004 and will take 18 months to complete.



## II.5.12 Pantex Plant

### II.5.12.1 Background

The Pantex Plant (Pantex) provides the capabilities to assemble nuclear and non-nuclear components into nuclear weapons, to disassemble retired nuclear weapons, and to perform surveillance activities to ensure stockpile reliability and safety. Pantex, located in Texas, is managed by BWX Technologies Pantex, LLC.

### II.5.12.2 History of Work Force Restructuring

Total separations from FY 1997 through FY 2002 numbered 564, with all being voluntary (Exhibit II.5.12.1). Note: Beginning with FY 2001, the table below reflects only reduction-in-force (RIF) separations (total separations - attrition). Also in FY 2002, 158 separations occurred through attrition.

Fiscal Year	Voluntary	Involuntary	Total
1997	407	0	407
1998	64*	0	64
1999	16*	0	16
2000	77	0	77
2001	0	0	0
2002	0	0	0
Total	564	0	564

\* All through attrition.

### Exhibit II.5.12.1 Pantex Plant Contractor Separations

### II.5.12.3 Current Work Force Restructuring

In FY 2003, there were no RIF separations. However, 106 separations did occur through attrition (Exhibit II.5.12.2).

Site: Pantex Plant		FY 2003				
		Number of Workers	Enhanced Costs Funded by WT (Section 3161)	Program Costs Funded by Other DOE Programs	Total Costs	Total Cost/Recipient
1.0	Voluntary Separations (Lines 1.1 + 1.2 + 1.3)	106	\$0	\$0	\$0	\$0
1.1	Early Retirement	0	\$0	\$0	\$0	\$0
1.2	Non-Retirement Voluntary Separations (Costs = Severance)	0	\$0	\$0	\$0	\$0
1.3	Attrition (Includes Normal Retirement)	106	n/a	n/a	n/a	n/a
2.0	Involuntary Separations (Lines 2.1 + 2.2) (Costs = Severance)	0	\$0	\$0	\$0	\$0
2.1	With Benefits (Lines 2.1.1 + 2.1.2)	0	\$0	\$0	\$0	\$0
2.1.1	Non-Construction Workers	0	\$0	\$0	\$0	\$0
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits	0	n/a	n/a	n/a	n/a
3.0	Total Separations and Costs (Lines 1.0 + 2.0)	106	\$0	\$0	\$0	\$0
4.0	Other Affected Workers (Lines 4.1 + 4.2 + 4.3)	0	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining (Same Site & Company)	0	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs (Same Site & Company)	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other DOE Sites (Same or Different Company)	0	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided (Lines 5.1 + 5.2 + 5.3 + 5.4)	n/a	\$0	\$4,093	\$4,093	n/a
5.1	Displaced Worker Medical Benefits	2	\$0	\$2,226	\$2,226	\$1,113
5.2	Relocation Assistance to Other DOE Sites	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	0	\$0	\$0	\$0	\$0
5.4	Educational Assistance for Separated Workers	1	\$0	\$1,867	\$1,867	\$1,867
6.0	Total Costs for Fiscal Year 2003 (Lines 3.0 + 4.0 + 5.0)	n/a	\$0	\$4,093	\$4,093	n/a

Note 1: WT = DOE Office of Worker and Community Transition. Effective December 2003, WT was merged into newly established DOE Office of Legacy Management.  
Note 2: Section 3161 refers to that section of the National Defense Authorization Act for Fiscal Year 1993.  
Note 3: DOE = U.S. Department of Energy.  
Note 4: Total Separations = Line 3.0. Reduction-in-Force Separations = Total Separations (Line 3.0) - Attrition (Line 1.3).  
Note 5: n/a = not applicable.

### Exhibit II.5.12.2 Pantex Plant Work Force Restructuring Summary

#### II.5.12.4 Work Force Restructuring Cost

The total work force restructuring cost incurred in FY 2003 at Pantex was \$4,093 (Exhibit II.5.12.2).

#### II.5.12.5 Outplacement

There were no outplacement services offered at Pantex during FY 2003.

#### II.5.12.6 Accomplishments and Lessons Learned

Pantex continues to conduct detailed work force planning by integrating work scope, priorities, skills mix, funding, facility availability and work force demographic and historical analysis to plan for future needs. Proactive hiring prepares Pantex for future work while retaining critical skills.

#### II.5.12.7 Future of the Site

Work on the Weapons Life Extension Program is considered essential and will continue for the next decade. The Pantex budgeted workload for FY 2004 will support a population of approximately 3,300 workers. Projections call for a relatively-stable worker population through FY 2005. After that, increases in projected workload for Weapons Life Extension Program

activities, together with increased surveillance activities, may require an increase in staff. These higher staff levels may continue from FY 2006 through FY 2016, at which point the workload may level off, with the focus being continued evaluation and maintenance of the stockpile.

## **II.5.13 Pinellas Plant**

### **II.5.13.1 Background**

The Pinellas Plant (Pinellas) manufactured neutron generators and other components from 1957 to 1994. In FY 1994, the Department of Energy (DOE) initiated its weapons complex reconfiguration plan, which included termination of all defense programs activities at Pinellas. The decision was announced to close Pinellas and to eliminate the just over 1,000 jobs by the end of FY 1997. From FY 1994 through FY 1997, Pinellas was placed in a safe condition, contaminated areas were cleaned, and all site property, materials, equipment, and records were disposed of. DOE sold Pinellas to a local economic development agency in FY 1995. Pinellas is located in Florida.

The Pinellas work force restructuring effort was efficient and effective in transitioning from weapons production to commercial use resulting in benefits to both DOE and the community. DOE has successfully concluded the work force restructuring activities at Pinellas.

### **II.5.13.2 Community Transition**

In August 1993, the Pinellas community formed a task force consisting of national, state, local, political, business, and special interest organizations that would be impacted by ending the Pinellas mission. The original stakeholder structure evolved into the Pinellas community reuse organization (CRO), which was established by DOE in January 1995. The mission of the CRO is to mitigate adverse consequences of closing the former DOE weapons plant and utilize its resources to help maintain the technologies developed at the plant.

As of September 30, 2003, a total of \$23,527,200 was committed to the Pinellas CRO, of which \$20,872,300 was spent. A total of 3,082 jobs was created or retained (Exhibit II.5.13.1).

FY 1994 through FY 2003						
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created
Community Stakeholder Planning*	\$400,000	\$100,000	\$500,000	\$500,000	0	\$0
Innovation Commercialization Program	\$587,000	\$0	\$587,000	\$587,000	450	\$1,304
Pinellas Plant Sale	\$15,192,900	\$0	\$15,192,900	\$12,826,000	2,328	\$5,509
Pinellas Plant Seed Projects	\$1,275,000	\$0	\$1,275,000	\$1,275,000	54	\$23,611
Pinellas Plant Spin-Offs	\$200,000	\$0	\$200,000	\$200,000	9	\$22,222
Seed/Challenge Funds	\$579,700	\$0	\$579,700	\$579,700	15	\$38,647
Suncoast Manufacturing Technology Center	\$334,700	\$0	\$334,700	\$334,700	125	\$2,678
Technology Deployment Center	\$4,388,000	\$0	\$4,388,000	\$4,388,000	87	\$50,437
STAR TEC	\$200,000	\$0	\$200,000	\$50,000	14	\$3,571
CRO Administration*	\$269,900	\$0	\$269,900	\$131,900	0	\$0
<b>Totals</b>	<b>\$23,427,200</b>	<b>\$100,000</b>	<b>\$23,527,200</b>	<b>\$20,872,300</b>	<b>3,082</b>	<b>\$6,772</b>

Note 1: WT = DOE Office of Worker and Community Transition. Effective December 2003, WT was merged into newly established DOE Office of Legacy Management.  
Note 2: Section 3161 refers to that section of the National Defense Authorization Act for Fiscal Year 1993.  
Note 3: DOE = U.S. Department of Energy.

\* Funds used for administrative purposes. Job creation not intended.

### Exhibit II.5.13.1 Pinellas Plant Community Transition Funding and Job Creation by Project

The following is an update on selected activities:

- **Young-Rainey STAR Center.** The CRO assisted with the first successful transition of a former DOE weapons site into a commercially-viable, self-sustaining technology complex--the Young-Rainey STAR Center (STAR Center). Most of the technologies developed or perfected at the STAR Center have been maintained by the tenant organizations and many of these companies are still in the Tampa Bay area.
- **Capital Improvements.** Capital improvements at the STAR Center included roof replacement, energy conservation upgrades to the utility system, and a new energy-efficient boiler.
- **Business Incubator.** The CRO effectively coordinated an extensive partnership of colleges, universities, professional firms, banks, chambers of commerce, and businesses throughout the Tampa Bay area to start a high technology/light manufacturing business incubator program. The project, renamed STAR TEC (Science, Technology, and Research-Technology Enterprise Center), will be located at the STAR Center.

## II.5.14 Rocky Flats Environmental Technology Site

### II.5.14.1 Background

The Rocky Flats Environmental Technology Site (RFETS) is an environmental cleanup site managed by Kaiser-Hill Company, LLC and its team of major subcontractors. Originally established as a nuclear weapons production facility, the RFETS mission has now evolved to one of environmental cleanup. It is designated by the U.S. Environmental Protection Agency as a Superfund Cleanup Site and is on the National Priorities List for cleanup. RFETS is located in Colorado and is scheduled for closure by December 2006, or earlier. See II.5.14.7 Future of the Site.

### II.5.14.2 History of Work Force Restructuring

Total separations from FY 1993 through FY 2002 numbered 5,348, with 71 percent being voluntary and 29 percent involuntary (Exhibit II.5.14.1). Note: Beginning with FY 2001, the table below reflects only reduction-in-force (RIF) separations (total separations - attrition). Also in FY 2002, an additional 33 separations occurred through attrition.

Fiscal Year	Voluntary	Involuntary	Total
1993/94	922	133	1,055
1995	1,844	367	2,211
1996	619	339	958
1997	192	97	289
1998	160	84	244
1999	86	53	139
2000	0	129	129
2001	0	124	124
2002	0	199	199
Total	3,823	1,525	5,348

**Exhibit II.5.14.1 Rocky Flats Environmental Technology Site  
Contractor Separations**

### II.5.14.3 Current Work Force Restructuring

In FY 2003, RIF separations numbered 444, with all being involuntary. An additional 67 separations occurred through attrition (Exhibit II.5.14.2).

Site: Rocky Flats Environmental Technology Site		FY 2003				
		Number of Workers	Enhanced Costs Funded by WT (Section 3161)	Program Costs Funded by Other DOE Programs	Total Costs	Total Cost/Recipient
1.0	Voluntary Separations (Lines 1.1 + 1.2 + 1.3)	67	\$0	\$0	\$0	\$0
1.1	Early Retirement	0	\$0	\$0	\$0	\$0
1.2	Non-Retirement Voluntary Separations (Costs = Severance)	0	\$0	\$0	\$0	\$0
1.3	Attrition (Includes Normal Retirement)	67	n/a	n/a	n/a	n/a
2.0	Involuntary Separations (Lines 2.1 + 2.2) (Costs = Severance)	444	\$0	\$8,297,451	\$8,297,451	\$18,688
2.1	With Benefits (Lines 2.1.1 + 2.1.2)	444	\$0	\$8,297,451	\$8,297,451	\$18,688
2.1.1	Non-Construction Workers	444	\$0	\$8,297,451	\$8,297,451	\$18,688
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits	0	n/a	n/a	n/a	n/a
3.0	Total Separations and Costs (Lines 1.0 + 2.0)	511	\$0	\$8,297,451	\$8,297,451	\$16,238
4.0	Other Affected Workers (Lines 4.1 + 4.2 + 4.3)	114	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining (Same Site & Company)	65	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs (Same Site & Company)	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other DOE Sites (Same or Different Company)	49	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided (Lines 5.1 + 5.2 + 5.3 + 5.4)	n/a	\$2,218,000	\$230,069	\$2,448,069	n/a
5.1	Displaced Worker Medical Benefits	160	\$0	\$230,069	\$230,069	\$1,438
5.2	Relocation Assistance to Other DOE Sites	5	\$20,000	\$0	\$20,000	\$4,000
5.3	Separating or Separated Workers Using Outplacement	1,309	\$1,970,208	\$0	\$1,970,208	\$1,505
5.4	Educational Assistance for Separated Workers	129	\$227,792	\$0	\$227,792	\$1,766
6.0	Total Costs for Fiscal Year 2003 (Lines 3.0 + 4.0 + 5.0)	n/a	\$2,218,000	\$8,527,520	\$10,745,520	n/a

Note 1: WT = DOE Office of Worker and Community Transition. Effective December 2003, WT was merged into newly established DOE Office of Legacy Management.  
 Note 2: Section 3161 refers to that section of the National Defense Authorization Act for Fiscal Year 1993.  
 Note 3: DOE = U.S. Department of Energy.  
 Note 4: Total Separations = Line 3.0. Reduction-in-Force Separations = Total Separations (Line 3.0) - Attrition (Line 1.3).  
 Note 5: n/a = not applicable.

### Exhibit II.5.14.2 Rocky Flats Environmental Technology Site Work Force Restructuring Summary

#### II.5.14.4 Work Force Restructuring Cost

The total work force restructuring cost incurred in FY 2003 at RFETS was \$10,745,520 (Exhibit II.5.14.2).

#### II.5.14.5 Outplacement

The Rocky Flats Career Transition Center (the Center) offers a variety of services to current and displaced RFETS workers. These services include: resume preparation; correspondence assistance; computer job bank access; job search training; one-on-one career counseling; photocopy, fax and telephone services; reference library; Internet access; unadvertised job leads; on-line career assistance website; career path assessment; and job search support groups. Additionally, various workshops are conducted which cover such areas as unemployment survivability, job search techniques including information regarding hidden markets, and interview practice. The Center also administers the displaced worker retraining program, which provides tuition reimbursement to eligible displaced workers.

#### **II.5.14.6 Accomplishments and Lessons Learned**

In its effort to continue to align benefits programs to the closure mission, Kaiser-Hill continues to provide a number of major initiatives implemented previously and continued during FY 2003, such as:

Conducting a series of ongoing job fairs with both local businesses and other DOE site employers.

Enhancing the salaried benefit retirement plan and adding a lump-sum settlement option for employees who stay until their job is no longer needed.

Liberalizing the tuition reimbursement program to allow employees to take course work in traditional and non-traditional disciplines.

Offering financial planning seminars to employees and their spouses.

On-site career transition center to support the personal closure plans of all eligible active and separated employees.

Implementation of the Work Force Transition Program (WTP) in February 2003. The WTP was established to help employees prepare for the future and begin the development of a plan and the skills needed for a successful transition from Rocky Flats.

#### **II.5.14.7 Future of the Site**

The work force at RFETS has the unenviable challenge of closing down a site that many of them helped to build. Their success in helping to end the Cold War has made them leaders once again. This time they are among the first in the country to clean up and close a former nuclear weapons production plant. From November 1998 through August 2004, there have been 1,395 involuntary separations. The separations occur monthly and will continue to accelerate as closure nears. Upon reducing the historical hazards and safely restoring the land for beneficial public use, management's key priority is to bring about closure of RFETS by a target date of December 15, 2006, or earlier. By law, the site will become a wildlife refuge.

#### **II.5.14.8 Community Transition**

The Rocky Flats Coalition of Local Governments (Coalition) was established in February 1999 by an Intergovernmental Agreement among the seven local governments bordering the Rocky Flats Environmental Technology Site and designated as the community reuse organization (CRO) for the Rocky Flats area in June 1999. The mission of the Coalition is to provide an effective vehicle for local governments and their citizens to work together on issues of mutual concern relating to the safe, prompt, and effective cleanup and closure of the Rocky Flats site. The Coalition addresses future use and long-term environmental protection, worker protection



and health issues. The Coalition facilitates communication between State Agencies, Federal Agencies, and elected officials.

As of September 30, 2003, a total of \$1,050,000 was committed to the CRO, of which \$864,488 was spent (Exhibit II.5.14.3).

FY 1999 through FY 2003						
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created
Rocky Flats Coalition of Local Governments Operations*	\$1,050,000	\$0	\$1,050,000	\$864,488	0	\$0
Totals	\$1,050,000	\$0	\$1,050,000	\$864,488	0	\$0

Note 1: WT = DOE Office of Worker and Community Transition. Effective December 2003, WT was merged into newly established DOE Office of Legacy Management.  
 Note 2: Section 3161 refers to that section of the National Defense Authorization Act for Fiscal Year 1993.  
 Note 3: DOE = U.S. Department of Energy.

\*Funds used for administrative purposes. Job creation not intended.

### Exhibit II.5.14.3 Rocky Flats Environmental Technology Site Community Transition Funding and Job Creation by Project

The following is an update on selected activities:

- Final Cleanup Standards.** The Coalition worked closely with the Department of Energy (DOE), the U.S. Environmental Protection Agency, and the Colorado Department of Public Health and the Environment to develop final cleanup standards for the Rocky Flats site. After reviewing numerous remediation decision documents, the Coalition issued two comprehensive recommendations, which together, formed the basis of the final cleanup levels.
- The Rocky Flats National Wildlife Refuge Act.** The Coalition worked with DOE, the U.S. Fish and Wildlife Service (USFWS), and community members on the development of the Comprehensive Conservation Plan for the Rocky Flats National Wildlife Refuge. The Coalition also worked with DOE officials, USFWS staff, congressional staff, and private landowners regarding acquisition of privately held mineral rights within the Rocky Flats boundary.
- Worker Transition Issues.** The Coalition participated in monthly labor meetings hosted by Congressman Mark Udall, and worked with DOE and Kaiser-Hill concerning strategies and plans for transitioning the entire contractor work force between now and when the site is expected to close in 2006.

## II.5.15 Sandia National Laboratories

### II.5.15.1 Background

Sandia National Laboratories (Sandia), one of the largest research and development facilities in the Nation, is managed and operated by Sandia Corporation, a wholly-owned subsidiary of Lockheed Martin Corporation. Scientific and engineering solutions are provided to meet national needs in nuclear weapons and related defense systems, energy security, and environmental integrity, and to address emerging national challenges for both government and industry. Sandia has facilities in New Mexico and California.

### II.5.15.2 History of Work Force Restructuring

Total separations from FY 1995 through FY 2002 numbered 1,773, with 98 percent being voluntary and 2 percent involuntary (Exhibit II.5.15.1). Note: Beginning with FY 2001, the table below reflects only reduction-in-force (RIF) separations (total separations - attrition). Also in FY 2002, 295 separations occurred through attrition.

Fiscal Year	Voluntary	Involuntary	Total
1995	463*	19	482
1996	585	10	595
1997	481	0	481
1998	7	12	19
1999	0	0	0
2000	194**	2	196**
2001	0	0	0
2002	0	0	0
Total	1,730	43	1,773

\* All through attrition.

\*\* Revised from that shown in FY 2000 annual report.

### Exhibit II.5.15.1 Sandia National Laboratories Contractor Separations

### II.5.15.3 Current Work Force Restructuring

In FY 2003, there were no RIF separations. However, 403 separations did occur through attrition (Exhibit II.5.15.2).

Site: Sandia National Laboratories		FY 2003				
		Number of Workers	Enhanced Costs Funded by WT (Section 3161)	Program Costs Funded by Other DOE Programs	Total Costs	Total Cost/Recipient
1.0	Voluntary Separations (Lines 1.1 + 1.2 + 1.3)	403	\$0	\$0	\$0	\$0
1.1	Early Retirement	0	\$0	\$0	\$0	\$0
1.2	Non-Retirement Voluntary Separations (Costs = Severance)	0	\$0	\$0	\$0	\$0
1.3	Attrition (Includes Normal Retirement)	403	n/a	n/a	n/a	n/a
2.0	Involuntary Separations (Lines 2.1 + 2.2) (Costs = Severance)	0	\$0	\$0	\$0	\$0
2.1	With Benefits (Lines 2.1.1 + 2.1.2)	0	\$0	\$0	\$0	\$0
2.1.1	Non-Construction Workers	0	\$0	\$0	\$0	\$0
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits	0	n/a	n/a	n/a	n/a
3.0	Total Separations and Costs (Lines 1.0 + 2.0)	403	\$0	\$0	\$0	\$0
4.0	Other Affected Workers (Lines 4.1 + 4.2 + 4.3)	0	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining (Same Site & Company)	0	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs (Same Site & Company)	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other DOE Sites (Same or Different Company)	0	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided (Lines 5.1 + 5.2 + 5.3 + 5.4)	n/a	\$0	\$0	\$0	n/a
5.1	Displaced Worker Medical Benefits	0	\$0	\$0	\$0	\$0
5.2	Relocation Assistance to Other DOE Sites	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	0	\$0	\$0	\$0	\$0
5.4	Educational Assistance for Separated Workers	0	\$0	\$0	\$0	\$0
6.0	Total Costs for Fiscal Year 2003 (Lines 3.0 + 4.0 + 5.0)	n/a	\$0	\$0	\$0	n/a

Note 1: WT = DOE Office of Worker and Community Transition. Effective December 2003, WT was merged into newly established DOE Office of Legacy Management.

Note 2: Section 3161 refers to that section of the National Defense Authorization Act for Fiscal Year 1993.

Note 3: DOE = U.S. Department of Energy.

Note 4: Total Separations = Line 3.0. Reduction-in-Force Separations = Total Separations (Line 3.0) - Attrition (Line 1.3).

Note 5: n/a = not applicable.

## Exhibit II.5.15.2 Sandia National Laboratories Work Force Restructuring Summary

### II.5.15.4 Work Force Restructuring Cost

There was no work force restructuring cost incurred in FY 2003 at Sandia (Exhibit II.5.15.2).

### II.5.15.5 Outplacement

There were no outplacement services offered at Sandia during FY 2003.

### II.5.15.6 Accomplishments and Lessons Learned

The fact that there were no RIF separations in FY 2003 highlights the success of Sandia's re-engineering efforts. With over 4 years in development, Sandia implemented and communicated its policy describing the decisionmaking principles regarding realignment, the responsibilities of Sandia's executives, managers, and employees in the overall process, as well as the events which mark progress throughout this process.

### II.5.15.7 Future of the Site

It is expected that an ongoing process of internal movement, retraining of employees, and normal attrition will accommodate any staffing impacts.

## II.5.15.8 Community Transition

### Albuquerque

In May 1998, the Department of Energy (DOE) first funded the City of Albuquerque to conduct a strengths, weaknesses, opportunities and threats analysis to assist with possible job losses resulting from a downsizing at Sandia National Laboratories. The Business Technology Group was established in January 1999 to serve as the community reuse organization (CRO) for central New Mexico. In December 1999, the Next Generation Economy Initiative was created which later evolved into Next Generation Economy, Inc. (NextGen). NextGen was designated as the CRO for central New Mexico in September 2000.

As of September 30, 2003, a total of \$2,659,031 was committed to the CRO, of which \$2,129,888 was spent. A total of 689 jobs was created or retained (Exhibit II.5.15.3).

FY 1998 through FY 2003						
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created
<b>Completed</b>						
Business Technology	\$100,000	\$0	\$100,000	\$100,000	73	\$1,370
City of Albuquerque	\$341,984	\$0	\$341,984	\$341,984	0	\$0
Science and Technology Park Development						
Corporation Master Plan	\$150,000	\$0	\$150,000	\$150,000	597	\$251
Cluster Research and Communication	\$45,000	\$0	\$45,000	\$45,000	0	\$0
<b>Active</b>						
Entrepreneurial Leadership	\$14,311	\$0	\$14,311	\$10,151	0	\$0
Style New Mexico	\$130,727	\$0	\$130,727	\$73,351	0	\$0
Technology Cluster Development	\$15,000	\$0	\$15,000	\$14,165	0	\$0
NextJobNM	\$267,297	\$0	\$267,297	\$155,237	0	\$0
Microsystems Fabrication Facility	\$682,000	\$0	\$682,000	\$422,731	19	\$22,249
CRO Administration*	\$912,712	\$0	\$912,712	\$817,269	0	\$0
<b>Totals</b>	<b>\$2,659,031</b>	<b>\$0</b>	<b>\$2,659,031</b>	<b>\$2,129,888</b>	<b>689</b>	<b>\$3,091</b>

Note 1: WT = DOE Office of Worker and Community Transition. Effective December 2003, WT was merged into newly established DOE Office of Legacy Management.

Note 2: Section 3161 refers to that section of the National Defense Authorization Act for Fiscal Year 1993.

Note 3: DOE = U.S. Department of Energy.

\* Funds used for administrative purposes. Job creation not intended.

### Exhibit II.5.15.3 Albuquerque Community Transition Funding and Job Creation by Project

The following is an update on selected activities:

- **Entrepreneurial Leadership Excelerator.** The first Excelerator class was recruited with a total of 12 mentors and 15 mentees. Classes began March 2003 and will continue through October 2003.
- **Style New Mexico.** Planning for the next event is in progress. NextGen is involving museums and entrepreneurs with the next artisan competition.
- **Technology Cluster Development.** NextGen presented "Building a Talent Powered Economy" before the New Mexico Information Technology Association and the New Mexico Entrepreneurs Association. NextGen also created a Capital Ventures Network to align lending and investment resources around the cluster companies.
- **NextJob.** A contract was awarded in March 2003 to Teknea Design for application development. Work has begun and is expected to be completed in December 2003.
- **Microsystems Fabrication Facility.** Several pieces of equipment have been installed to stand up the tool set to allow local companies to begin manufacturing. NextGen is working with the University of New Mexico to establish an agreement for the tool installation and maintenance.

## **Carlsbad**

In November 1998, DOE awarded a \$300,000 grant to the Carlsbad Department of Development to conduct a strengths, weaknesses, opportunities and threats (SWOT) analysis of southeast New Mexico. In June 2000, the Eddy/Lea Regional Commission was designated the community reuse organization (CRO) for this region to create new jobs and businesses to absorb current and future displaced DOE workers.

As of September 30, 2003, a total of \$4,149,314 was committed to the CRO, of which \$3,399,930 million was spent. A total of 690 jobs was created or retained (Exhibit II.5.15.4).

FY 1998 through FY 2003						
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created
<b>Completed</b>						
Advanced Manufacturing & Innovation Training Center	\$1,945,000	\$0	\$1,945,000	\$1,945,000	585	\$3,325
SWOT Analysis (Eddy County, Lea County, and WIPP)*	\$550,000	\$0	\$550,000	\$550,000	0	\$0
GIS for the City of Carlsbad and Eddy County	\$250,000	\$243,314	\$493,314	\$493,314	0	\$0
<b>Active</b>						
Artesia Main Street & Marketing Study	\$200,000	\$0	\$200,000	\$40,000	82	\$488
Targeted Market Study-Automotive	\$4,000	\$0	\$4,000	\$4,000	0	\$0
Conversion of Oil Field-Produced Water Pilot Plant and Appraisal Study	\$236,000	\$0	\$236,000	\$96,741	0	\$0
Lea County Business Attraction and Beautification	\$120,000	\$0	\$120,000	\$51,500	20	\$2,575
National Cave & Karst Research Institute - Public Infrastructure**	\$200,000	\$0	\$200,000	\$115	3	\$38
Tatum Speculative Building	\$100,000	\$0	\$100,000	\$0	0	\$0
Student Interns	\$11,000	\$0	\$11,000	\$10,279	0	\$0
Staffing-Administrative and Accounting*	\$290,000	\$0	\$290,000	\$208,981	0	\$0
<b>Totals</b>	<b>\$3,906,000</b>	<b>\$243,314</b>	<b>\$4,149,314</b>	<b>\$3,399,930</b>	<b>690</b>	<b>\$4,927</b>

Note 1: WT = DOE Office of Worker and Community Transition. Effective December 2003, WT was merged into newly established DOE Office of Legacy Management.  
 Note 2: Section 3161 refers to that section of the National Defense Authorization Act for Fiscal Year 1993.  
 Note 3: DOE = U.S. Department of Energy.

\* Funds used for administrative purposes. Job creation not intended.  
 \*\* Other non-DOE funding sources contributed to the number of jobs created or retained.

### Exhibit II.5.15.4 Carlsbad Community Transition Funding and Job Creation by Project

The following is an update on selected activities:

- **Artesia Main Street Project - Phase III-Continuation.** This is a continuation of the redevelopment and improvement of a 28-block area of Downtown Artesia, including street improvement, landscaping, and pedestrian lighting and amenities. Phases I and II are complete. Phase III is in progress, with a total cost of over \$5 million. Phases II and III were funded, in part, from a DOE grant.
- **National Cave & Karst Research Institute.** With DOE funding, the National Cave & Karst Research Institute at The Cascades at Carlsbad leveraged over \$2.5 million in matching funds from the U.S. Department of the Interior and the New Mexico State Legislature for construction of the new facility.
- **Lea County Speculative Retail Building - Tatum, New Mexico.** The speculative building will be erected without tenant or a buyer in the hopes of recruiting a grocery enterprise. In 2001, the Town of Tatum, population 623, lost its only grocery store to a fire. The proprietor elected not to rebuild.

#### **Eight Northern Indian Pueblos Council, Inc.**

On April 27, 2000, the Eight Northern Indian Pueblos Council, Inc. (ENIPC) was designated a community reuse organization by DOE. DOE recognized that the Eight Northern Indian Pueblos are important players for the continued economic and social development in Northern New Mexico. The Pueblos' historical presence, locale to Los Alamos National Laboratory and sovereign status as federally recognized tribes, are vital to the economic success of the region. Pueblos represented by ENIPC include Nambe, Picuris, Pojoaque, San Ildefonso, San Juan, Santa Clara, Taos, and Tesuque, all of which are located north of Santa Fe, New Mexico. ENIPC will focus on economic development strategies that identify and articulate each of the individual tribal cultures, institutions, and approaches to governance. The goal of ENIPC is the development of a collaborative regional community transition plan for all of the Eight Northern Indian Pueblos.

As of September 30, 2003, a total of \$671,650 was committed to ENIPC, of which \$616,565 was spent. Due to the planning nature of ENIPC's current activities, no jobs have been created to date (Exhibit II.5.15.5).

FY 2000 through FY 2003						
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created
SWOT Analysis*	\$116,600	\$0	\$116,600	\$116,600	0	\$0
Individual Tribal Planning Assessments	\$69,000	\$0	\$69,000	\$60,000	0	\$0
Business Feasibility Studies*	\$100,000	\$0	\$100,000	\$64,274	0	\$0
Physical Infrastructure & Market Characteristics Report Assessments*	\$50,000	\$0	\$50,000	\$49,700	0	\$0
Labor Force Assessment*	\$35,000		\$35,000	\$25,000	0	\$0
CRO Administration*	\$301,050	\$0	\$301,050	\$300,991	0	\$0
<b>Totals</b>	<b>\$671,650</b>	<b>\$0</b>	<b>\$671,650</b>	<b>\$616,565</b>	<b>0</b>	<b>\$0</b>

Note 1: WT = DOE Office of Worker and Community Transition. Effective December 2003, WT was merged into newly established DOE Office of Legacy Management.

Note 2: Section 3161 refers to that section of the National Defense Authorization Act for Fiscal Year 1993.

Note 3: DOE = U.S. Department of Energy.

\* Funds used for administrative purposes. Job creation not intended.

### Exhibit II.5.15.5 Eight Northern Indian Pueblos Council Community Transition Funding and Job Creation by Project

The following is an update on selected activities:

- Individual Tribal Planning Assessments.** ENIPC awarded a contract to the University of Arizona, Native Nation Institute for Leadership, Management and Policy, to provide exercises in "nation building" and a "strategic analysis" to the leadership of ENIPC and its member pueblos. Substantial progress has been made on two of the four scheduled exercises in nation building and strategic analysis.
- Petroleum Business Assessment.** The Center for Applied Research completed a Petroleum Business Assessment to determine the feasibility of the Eight Northern Indian Pueblos and ENIPC in developing and entering into the petroleum business. The assessment looked at the market factors, competitive advantages and disadvantages, market strategies, and pro forma for a business that would benefit all eight pueblos and ENIPC, and determine the feasibility of locating such a business on or off the reservations.



- **Labor Force and Market Characteristics Assessments.** The Center for Applied Research completed the Labor Force and Market Characteristics Assessments of the ENIPC region, which encompasses the Eight Northern Indian Pueblos and Rio Arriba, Taos and Santa Fe, New Mexico counties. The assessments will assist ENIPC in determining future economic opportunities.

## II.5.16 Savannah River Site

### II.5.16.1 Background

The Savannah River Site (SRS) is managed and operated by Westinghouse Savannah River Company (WSRC) and its team of contractors. SRS focuses on nuclear weapons stockpile stewardship emphasizing a science-based approach; nuclear materials stewardship, that is, management of excess nuclear materials, including transportation, stabilization, storage, and disposition to support nuclear nonproliferation initiatives; and environmental stewardship, which involves management, treatment, and disposal of radioactive and non-radioactive wastes from past, present, and future operations. This stewardship also includes pollution prevention and restoration of the environment impacted by site operations. SRS is located in South Carolina.

### II.5.16.2 History of Work Force Restructuring

Total separations from FY 1993 through FY 2002 numbered 9,202, with 73 percent being voluntary and 27 percent involuntary (Exhibit II.5.16.1). Note: Beginning with FY 2001, the table below reflects only reduction-in-force (RIF) separations (total separations - attrition). Also in FY 2002, an additional 163 separations occurred through attrition.

Fiscal Year	Voluntary	Involuntary	Total
1993/94	2,078*	30	2,108
1995	2,786	711	3,497
1996	694	398	1,092
1997	398	750	1,148
1998	11**	138	149
1999	0	196	196
2000	208	72	280
2001	50	102	152
2002	486	94	580
Total	6,711	2,491	9,202

\* Includes 870 separations through attrition that were not shown in FY 1993/94 annual report.

\*\* All through attrition.

### Exhibit II.5.16.1 Savannah River Site Contractor Separations

### II.5.16.3 Current Work Force Restructuring

In FY 2003, RIF separations numbered 247, with 27 being voluntary and 220 involuntary. An additional 468 separations occurred through attrition (Exhibit II.5.16.2).

Site: Savannah River Site		FY 2003				
		Number of Workers	Enhanced Costs Funded by WT (Section 3161)	Program Costs Funded by Other DOE Programs	Total Costs	Total Cost/Recipient
1.0	Voluntary Separations (Lines 1.1 + 1.2 + 1.3)	495	\$0	\$1,383,290	\$1,383,290	\$2,795
1.1	Early Retirement*	26	\$0	\$1,352,000	\$1,352,000	\$52,000
1.2	Non-Retirement Voluntary Separations (Costs = Severance)	1	\$0	\$31,290	\$31,290	\$31,290
1.3	Attrition (Includes Normal Retirement)	468	n/a	n/a	n/a	n/a
2.0	Involuntary Separations (Lines 2.1 + 2.2) (Costs = Severance)	220	\$2,833,587	\$0	\$2,833,587	\$12,880
2.1	With Benefits (Lines 2.1.1 + 2.1.2)	73	\$2,833,587	\$0	\$2,833,587	\$38,818
2.1.1	Non-Construction Workers	60	\$2,778,754	\$0	\$2,778,754	\$46,313
2.1.2	Construction Workers	13	\$54,833	\$0	\$54,833	\$4,218
2.2	Without Benefits	147	n/a	n/a	n/a	n/a
3.0	Total Separations and Costs (Lines 1.0 + 2.0)	715	\$2,833,587	\$1,383,290	\$4,216,877	\$5,898
4.0	Other Affected Workers (Lines 4.1 + 4.2 + 4.3)	0	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining (Same Site & Company)	0	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs (Same Site & Company)	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other DOE Sites (Same or Different Company)	0	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided (Lines 5.1 + 5.2 + 5.3 + 5.4)	n/a	\$230,801	\$0	\$230,801	n/a
5.1	Displaced Worker Medical Benefits	128	\$129,479	\$0	\$129,479	\$1,012
5.2	Relocation Assistance to Other DOE Sites	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	0	\$0	\$0	\$0	\$0
5.4	Educational Assistance for Separated Workers	65	\$101,322	\$0	\$101,322	\$1,559
6.0	Total Costs for Fiscal Year 2003 (Lines 3.0 + 4.0 + 5.0)	n/a	\$3,064,388	\$1,383,290	\$4,447,678	n/a

Note 1: WT = DOE Office of Worker and Community Transition. Effective December 2003, WT was merged into newly established DOE Office of Legacy Management.  
 Note 2: Section 3161 refers to that section of the National Defense Authorization Act for Fiscal Year 1993.  
 Note 3: DOE = U.S. Department of Energy.  
 Note 4: Total Separations = Line 3.0. Reduction-in-Force Separations = Total Separations (Line 3.0) - Attrition (Line 1.3).  
 Note 5: n/a = not applicable.

\* An additional \$458,985 in program costs were paid for accrued vacation time.

### Exhibit II.5.16.2 Savannah River Site Work Force Restructuring Summary

#### II.5.16.4 Work Force Restructuring Cost

The total work force restructuring cost incurred in FY 2003 at SRS was \$4,447,678 (Exhibit II.5.16.2).

#### II.5.16.5 Outplacement

There were no outplacement assistance services needed during FY 2003.

#### II.5.16.6 Accomplishments and Lessons Learned

During the year, work force skills mix adjustment continued to be a priority. Workers possessing needed skills to accomplish accelerated environmental cleanup or facility deactivation and decommission (D&D) work were reassigned, where possible, to do the more critical mission essential activities. Agreement was reached in FY 2003 to further accelerate

D&D work. As a result, CH2M Hill was brought in as a partner site contractor to provide needed expertise gained from their decommissioning work at the Rocky Flats site in Colorado.

Work force planning to ensure appropriate skill mix and headcount for the near term also continued in the forefront. On-line work force analyses, updated on a quarterly basis, provided ongoing snapshots of work force composition and skills. This, in turn, allowed for ongoing work force management where, as indicated above, workers possessing essential skills were reassigned when and where most needed.

#### **II.5.16.7 Future of the Site**

The future of the site is best visualized by those accelerated cleanup activities through 2006 as differentiated from activities after 2006. Through 2006, it is envisioned that accelerated cleanup will include 12 "high risk" high level waste tanks emptied, the F Area complex deinventoried and laid up, 880 canisters of liquid waste stabilized, 100 percent of EM H Area nuclear materials dispositioned, 3,360 cubic meters of legacy transuranic waste shipped to the national repository, 98 facilities deactivated and decommissioned, and 46 waste sites remediated.

Expected new missions of the site include an expanded tritium mission capability highlighted by completion of a new tritium extraction facility designed to recover tritium produced in Tennessee Valley Authority reactors, a plutonium disposition program to dispose of some 34 tons of weapons-usable plutonium declared excess in the United States, and the building of two new facilities at SRS--a pit disassembly and conversion facility, and a mixed oxide fuel fabrication facility.

During the next 10 years, SRS will continue to play an important role in the transportation, stabilization, storage, and disposition of excess nuclear materials that pose a threat to world security. During FY 2004 and through the decade, SRS will continue to pursue scientific research, development, and deployment of new technologies inclusive of hydrogen power.

Recruitment, training, and retention of a highly-skilled, motivated work force with the proper skills mix for ongoing and potential future missions will also continue. This will be concurrent with limited hiring of new employees who possess needed critical skills. Reassignment of employees with needed skills to accelerated work scope requirements will also continue.

WSRC staffing is expected to decline from the current level through FY 2006. It is anticipated the work force downsizing will be accomplished through a succession of work force restructuring initiatives which may include early retirement incentives, voluntary separation programs, and involuntary separations programs.

Construction craft staffing is also anticipated to remain fairly stable through FY 2006 with ebb and flow of the craft work force continuing to occur as projects are completed and new projects started.

### **II.5.16.8 Community Transition**

The Savannah River Regional Diversification Initiative (SRRDI) is the community reuse organization for the Savannah River Site (SRS) and was created by Congress in November 1993. SRRDI is a nonprofit organization run by a Board of Directors appointed by local governments, chambers of commerce, and members of the South Carolina and Georgia Congressional Delegations. SRRDI's overall objective is to create an environment conducive to technology-based business startups, business expansions, and to attract new ventures to the SRRDI region. Through its efforts, SRRDI helps diversify the region's economic base; create and retain high-value, long-term private sector jobs; and transfer SRS technologies to new and existing area firms for commercial application.

As of September 30, 2003, a total of \$53,098,635 was committed to the SRS Operations Office, the management and operating contractor, the CRO, and other economic development associations. A total of \$51,637,751 was spent. A total of 6,472 jobs was created or retained (Exhibit II.5.16.3).

FY 1993 through FY 2003						
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created
CRO-Prospect Development	\$3,000,000	\$0	\$3,000,000	\$3,000,000	933	\$3,215
CRO-Mfg Tech Center	\$54,000	\$0	\$54,000	\$54,000	108	\$500
CRO-Business Incubators	\$225,662	\$0	\$225,662	\$225,662	71	\$3,178
CRO-Small Business R&D Seed Fund	\$284,800	\$0	\$284,800	\$284,800	34	\$8,376
CRO-Challenge Fund	\$939,283	\$0	\$939,283	\$939,283	2,566	\$366
CRO-Venture Capital Fund	\$2,100,000	\$0	\$2,100,000	\$2,100,000	112	\$18,750
CRO-Planning*	\$1,055,047	\$0	\$1,055,047	\$1,055,047	316	\$3,339
CRO-Technical Scholars	\$50,000	\$0	\$50,000	\$25,135	0	\$0
CRO-Proposal Development	\$55,282	\$0	\$55,282	\$55,282	1	\$55,282
CRO-CSRA Mfg Tech Center	\$1,000,000	\$0	\$1,000,000	\$1,000,000	0	\$0
Venture/Seed/Challenge Fund	\$1,614,474	\$0	\$1,614,474	\$525,000	0	\$0
CRO-Tri-County Shaw Building	\$200,000	\$0	\$200,000	\$0	0	\$0
Georgia Medical Center	\$15,000	\$0	\$15,000	\$0	0	\$0
CRO-Administration*	\$1,497,777	\$1,017,165	\$2,514,942	\$2,461,471	0	\$0
SRRDI Subtotals	\$12,091,325	\$1,017,165	\$13,108,490	\$11,725,680	4,141	\$2,832
Savannah River Operations Office	\$1,450,000	\$8,848,251	\$10,298,251	\$10,298,251	1,034	\$9,960
Westinghouse SR Company	\$200,000	\$8,891,894	\$9,091,894	\$9,013,820	703	\$12,822
Tri-County Economic Development	\$8,400,000	\$200,000	\$8,600,000	\$8,600,000	594	\$14,478
SR Site Centers of Excellence	\$0	\$12,000,000	\$12,000,000	\$12,000,000	0	\$0
Totals	\$22,141,325	\$30,957,310	\$53,098,635	\$51,637,751	6,472	\$7,979

Note 1: WT = DOE Office of Worker and Community Transition. Effective December 2003, WT was merged into newly established DOE Office of Legacy Management.

Note 2: Section 3161 refers to that section of the National Defense Authorization Act for Fiscal Year 1993.

Note 3: DOE = U.S. Department of Energy.

\* Funds used for administrative purposes. Job creation not intended.

### Exhibit II.5.16.3 Savannah River Site Community Transition Funding and Job Creation by Project

The following is an update on selected activities:

- **Prospect Development Initiative.** The South Carolina Advanced Technology Park, a 1,639-acre industrial park, currently has six companies on-site.

- **Small and Small-Disadvantaged Business Assistance Program.** SRS developed this for Aiken, Allendale, Bamberg, and Barnwell Counties. The program assists small and small-disadvantaged businesses in developing and writing business plans, obtaining financing, establishing expansion requirements, developing and placing personnel, and responding to public and private requests for goods and services. As of September 30, 2003, the program assisted 13 firms and provided over \$3.8 million in goods and services.
- **Tri-County Alliance Shaw Project.** The Tri-County Alliance was awarded funding by SRRDI to purchase a 100,000-square-foot building on 23 acres. The building will be leased to an industrial business that projects the creation of a minimum 50 new jobs for the Allendale and Barnwell area.
- **Asset Reuse Program.** The SRS Asset Reuse Program, through the Tri-County Alliance, began acquiring excess equipment from SRS and reselling it. This endeavor was an incentive for Bolin and Associates to move to the region. Profits from the equipment resale are split between SRRDI and Tri-County for economic diversification activities in the region. A new plan for the Asset Transition Plan has been approved.
- **Economic Development Impact Study.** The I-520 (Bobby Jones Expressway Extension) Economic Development Impact Study was completed. Construction is underway.

## SECTION III: NON-DEFENSE SITES

### III.1 Background

The Office of Worker and Community Transition (WT) reviews and evaluates work force restructuring plans from all contractor-managed sites throughout the Department of Energy complex. **Note:** Effective December 2003, all WT functions and responsibilities were merged into the newly established Office of Legacy Management. While most of the non-defense sites are smaller than defense nuclear sites, some are also undergoing restructuring because of changing missions or business procedures. There are 11 non-defense sites included in this report:

- Ames Laboratory (Iowa)
- Bettis Atomic Power Laboratory (Pennsylvania)
- Fermi National Accelerator Laboratory (Illinois)
- Knolls Atomic Power Laboratory (New York)
- Lawrence Berkeley National Laboratory (California)
- National Renewable Energy Laboratory (Colorado)
- Naval Reactors Facility (Idaho)
- Princeton Plasma Physics Laboratory (New Jersey)
- Stanford Linear Accelerator Center (California)
- Strategic Petroleum Reserve (Louisiana and Texas)
- West Valley Demonstration Project (New York)

### III.2 Current Work Force Restructuring

In FY 2003, reduction-in-force (RIF) separations (total separations - attrition) numbered 272, with 95 being voluntary and 177 involuntary. An additional 535 separations occurred through attrition (Exhibit III.1).



Non-Defense Sites	FY 2003				
	Number of Workers	Enhanced Costs Funded by WT (Section 3161)	Program Costs Funded by Other DOE Programs	Total Costs	Total Cost/Recipient
1.0 Voluntary Separations (Lines 1.1 + 1.2 + 1.3)	630	\$0	\$1,617,580	\$1,617,580	\$2,568
1.1 Early Retirement	46	\$0	\$1,506,329	\$1,506,329	\$32,746
1.2 Non-Retirement Voluntary Separations (Costs = Severance)	49	\$0	\$111,251	\$111,251	\$2,270
1.3 Attrition (Includes Normal Retirement)	535	n/a	n/a	n/a	n/a
2.0 Involuntary Separations (Lines 2.1 + 2.2) (Costs = Severance)	177	\$0	\$1,788,705	\$1,788,705	\$10,106
2.1 With Benefits (Lines 2.1.1 + 2.1.2)	113	\$0	\$1,788,705	\$1,788,705	\$15,829
2.1.1 Non-Construction Workers	113	\$0	\$1,788,705	\$1,788,705	\$15,829
2.1.2 Construction Workers	0	\$0	\$0	\$0	\$0
2.2 Without Benefits	64	n/a	n/a	n/a	n/a
3.0 Total Separations and Costs (Lines 1.0 + 2.0)	807	\$0	\$3,406,285	\$3,406,285	\$4,221
4.0 Other Affected Workers (Lines 4.1 + 4.2 + 4.3)	5	\$0	\$0	\$0	\$0
4.1 Workers Placed Internally Without Retraining (Same Site & Company)	2	n/a	n/a	n/a	n/a
4.2 Workers Placed Internally Through Retraining Programs (Same Site & Company)	0	\$0	\$0	\$0	\$0
4.3 Workers Transferred to Other DOE Sites (Same or Different Company)	3	n/a	n/a	n/a	n/a
5.0 Other Benefits Provided (Lines 5.1 + 5.2 + 5.3 + 5.4)	n/a	\$0	\$268,730	\$268,730	n/a
5.1 Displaced Worker Medical Benefits	67	\$0	\$186,171	\$186,171	\$2,779
5.2 Relocation Assistance to Other DOE Sites	0	\$0	\$0	\$0	\$0
5.3 Separating or Separated Workers Using Outplacement	12	\$0	\$17,330	\$17,330	\$1,444
5.4 Educational Assistance for Separated Workers	33	\$0	\$65,229	\$65,229	\$1,977
6.0 Total Costs for Fiscal Year 2003 (Lines 3.0 + 4.0 + 5.0)	n/a	\$0	\$3,675,015	\$3,675,015	n/a

Note 1: WT = DOE Office of Worker and Community Transition. Effective December 2003, WT was merged into newly established DOE Office of Legacy Management.  
Note 2: Section 3161 refers to that section of the National Defense Authorization Act for Fiscal Year 1993.  
Note 3: DOE = U.S. Department of Energy.  
Note 4: Total Separations = Line 3.0. Reduction-in-Force Separations = Total Separations (Line 3.0) - Attrition (Line 1.3).  
Note 5: n/a = not applicable.

### Exhibit III.1 Non-Defense Sites Work Force Restructuring Summary

#### III.3 Cost

The total work force restructuring cost incurred in FY 2003 was \$3,675,015.